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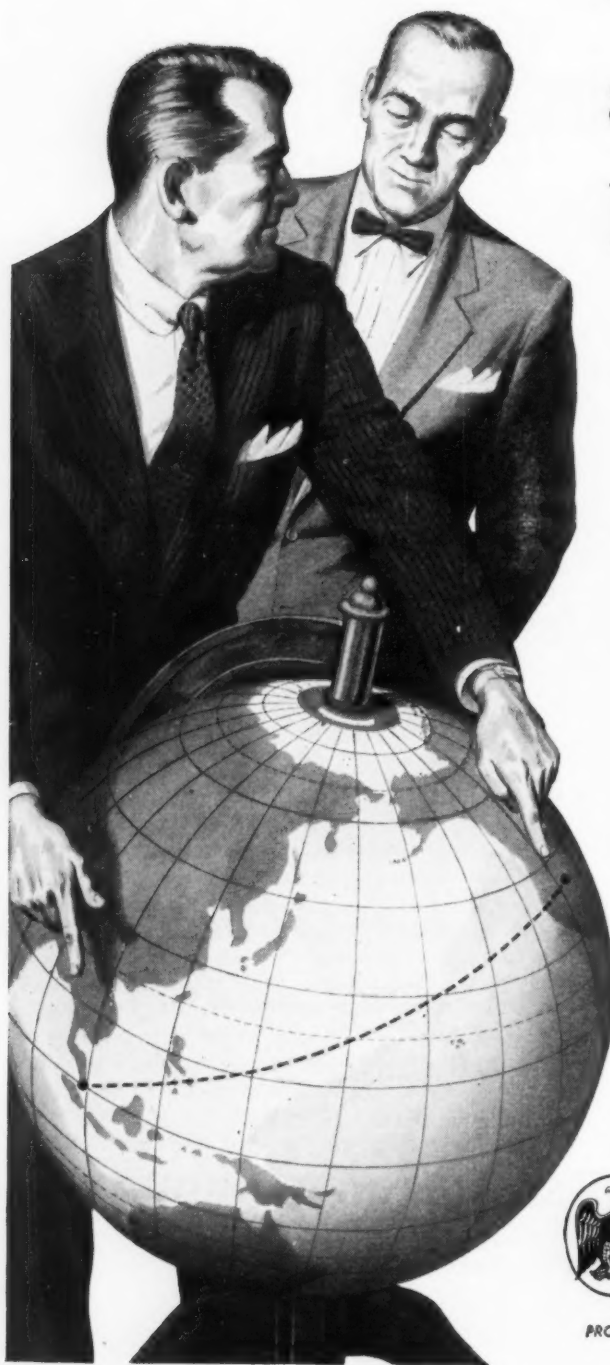
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THURSDAY, JULY 10, 1952

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E. H. Bockius Heads Independent Adjusters Group

M. M. Johnson Named Vice-President at White Sulphur Meeting

E. H. Bockius of San Francisco was elected president of National Assn. of Independent Insurance Adjusters last week at the annual meeting at White Sulphur Springs, W. Va. He moves up from executive vice-president and replaces John D. C. Roane of Baltimore. Mr. Bockius in 1949 was president of the California Assn. of Independent Adjusters.

The executive vice-president, and presumably the successor to Mr. Bockius, is Maurie M. Johnson of Ft. Wayne, Ind. Benjamin Horton of Louisville was elected executive secretary-treasurer.

The association now has eight regional vice-presidents, two new divisions, the Missouri and western having been set up. The western division is a former part of the Rocky Mountain and Pacific Coast regions.

The regional heads are: Eastern, B. L. Jones, Buffalo; southeastern, Marion Arnold, Miami; central, Robert C. Pruyn, Indianapolis; Missouri Valley, Richard Olosson, Minneapolis; Rocky Mountain, M. A. Jordan, Denver; northwestern, Arthur E. Campbell, Seattle; western, Hart W. Reeves, Los Angeles, and southwestern, Edward Lindsay, Tyler, Tex. This group constitutes the executive committee, and also on the committee is Mr. Roane, the retiring president.

Hear 10 Speakers

The business program covered two days and there were 10 speakers. There was a separate agenda for the ladies, and there was also included a good measure of entertainment that took in golfing and dancing.

Prentiss B. Reed of New York, who for many years has been a leader in the independent activities, in his talk on "What is our Part and How Should We Play it?" told the association that there are two demands made on the independent adjusters of today: To produce a group of qualified men to succeed them, and to lessen wherever possible the burdens under which the work of adjusting is carried on.

Formerly, in competition with the companies and bureaus and with other independents, it was customary to meet adjusters who had a long background in field work or in law, accounting, engineering, merchandising or the construction field, and who had proved themselves as possessing the ability to deal with property, persons and contracts before they became adjusters. Today, the great number of young adjusters taken on by the companies and bureaus and in the independent offices have "no more than a most modest acquaintance with business" before being employed, Mr. Reed said. The

Ohio Farmers to Erect \$1,250,000 Home Office Unit

Contracts will be awarded this month by Ohio Farmers for its \$1,250,000 new home office at Leroy, O., to be on the site of a white frame building currently used as the office of C. Don McVay, president, on the west side of the town circle. The structure will be a colonial style building in keeping with the town's Western Reserve architecture, and will take an estimated two years to build.

The company's business has increased fourfold in the past 10 years, and has outgrown its present office building, erected in 1881. It operates in 40 states and British Columbia, owns most of the town of Leroy, and also provides jobs for most of its 350 residents. Many are descendants of the company's original employees.

A scale model of the Georgian administration building, topped by a bell tower, and the new department unit, 72x270 feet, is on display at Leroy. The buildings will be kept low and will be hidden by trees.

bureaus maintain excellent schools for teaching the young men everything that can be learned in the classroom, and he warned that they should not surpass the training given by the independents. "The few staff schools I know of do not measure up to bureau standards," he commented.

Need Young Blood

The adjusters must bring young blood into offices and find men who will carry on, he urged. They must select, teach, train, observe and screen until they have junior partners who can take over. The new man must be allowed to develop rapidly and be given increased responsibilities.

The independents must not let their branch of adjusting be engulfed by the staff or bureau operations, he warned.

The windstorm of November, 1950, enormously increased the number of losses, Mr. Reed observes, and since then adjusting offices in that territory have been experiencing a run of assignments that are from two to three times as many as they received in 1949. The changes demanded of adjusters today are principally changes that will enable the companies, as well as the adjusters, to handle the greatly increased number of losses with the fewest possible bottlenecks. He said he could see nothing in the foreseeable future to check the continued increase in population and growth in the volume of physical possessions, with a result that the number of losses will, with occasional exceptions, become greater from year to year. The trend toward extension of coverage will continue and the need for adjusters will require a continuous expansion of the adjusting forces.

Should Take Safety Lead

No one is better situated than the adjusters to take the lead in educating the public in the need to practice highway safety, C. E. Curtis, vice-president and general counsel of Ohio Farmers, urged in his address. He said that because the adjuster knows and sees daily the tragic consequences of automobile accidents and is familiar with the many causes of them, and because he is a leading and respected citizen in his community, no one could better take over this job. Mr. Curtis referred to the increasing tendency of people to view with alarm the tremendous economic and social loss arising from highway

(CONTINUED ON PAGE 27)

38 Attend the "Carter Conference" at Chicago

The annual parley of midwestern local agents and members of the subscribers committee of Western Actuarial Bureau, the so-called "George Carter conference," was conducted this week at Chicago with 38 agents and company men attending. Mr. Carter was in charge for the agents, and Herbert A. Clark, vice-president of Loyalty group, was chairman for the companies in the absence of E. A. Henne, vice-president and western manager of America Fore, who is resting at his home in Evanston, Ill., after a short stay at the hospital. Mr. Henne's condition is reported as very satisfactory.

Russell D. Hobbs, manager, and several of his staff were on hand from Western Actuarial Bureau.

The meeting this year was of a routine nature, the conferees going over questions of forms in the various states. The conference started in the morning and lasted all day, being interrupted by a cocktail hour and luncheon.

This annual affair of Mr. Carter's has become noted for its accomplishments. The top rank company men meet with agents in the western states entirely on an open basis, and a wide range of topics are dealt with.

Those Attending Meeting

Those attending the meeting this year were: George Carter, M. Frank McCaffrey, and David T. Marantette of Detroit; Howard W. Huttenlocher, Pontiac; Roy E. Wessendorf, Springfield F. & M.; Frank L. Ludington, Atlas; W. A. Seeley, Crum & Forster; R. D. Warner, Fargo, N. D.; W. E. Newcomb, Great American; F. Vernon Griffith, Jr., Kansas City; Willard Lauterbach, Columbus; Hugo LaRue, America Fore; Charles E. Dox, London & Lancashire; Paul Barr, Hanover; Donald B. Clark, Winona, Ill.; Clarke Smith, Royal-Liverpool; Charles W. Ohlsen, Sun; Herbert A. Clark, Loyalty group; Russell D. Hobbs, Western Actuarial Bureau; Harvey O. Snediker, Western Actuarial Bureau; H. H. Nelson, Council Bluffs, Ia.; Kent Parker, Western Actuarial Bureau; Sidney G. Behlmer, Hartford Fire; John G. McFarland, American; Emil L. Lederer, Chicago; Rush W. Carter, Aetna Fire; A. G. Harrison, Louisville; E. D. Lawson, Fireman's Fund; Will Johnston, Memphis; Arthur M. O'Connell, Cincinnati; Lyle H. Gift, Peoria; Harry T. Parrish, Tulsa; H. T. Morgan, Oklahoma City; George A. Timm, Kenosha; J. L. Ashton, Milwaukee; E. H. Born, Western Underwriters Assn.; Leonard Peterson, Home, and George A. Thompson, Minneapolis.

Canadian Superintendents Meet in Ont., Not P.E.I.

The place of the annual meeting of Assn. of Superintendents of Insurance of the Provinces of Canada has been changed to Royal York hotel at Toronto. The period of the convention is Sept. 29-Oct. 3. It had been scheduled for Charlottetown, Prince Edward Island.

There will be public sessions Sept. 29-Oct. 1 while Oct. 2-3 will be taken up with executive sessions. Tentatively the program calls for an address of welcome the morning of Sept. 29 followed by the presidential address by Commissioner Whitehead of Ontario, and then the consideration of reports of the committees on valuation of securities, and annual statement blanks of

H. K. Dent Chairman of General of Seattle Group

Veteran Individualist Succeeded as President by Willis L. Campbell

SEATTLE—H. K. Dent resigned Tuesday as president of General of Seattle companies and was appointed chairman of the board.

Willis L. Campbell, formerly vice-president and treasurer, was elected president and O. D. Fisher resigned as board chairman and was appointed chairman of the executive committee.

Mr. Dent has been a great and successful individualist in the insurance



Willis L. Campbell



H. K. Dent

realm with particular reference to fire insurance. He has done a great deal of pioneering. He has never shied from the unorthodox label. He has been a mighty adversary on a number of occasions. He has a trenchant pen and a command of language that has been a powerful weapon. He has enthusiastically leaped into controversy when principles and situations in which he was keenly interested were involved and he rarely, if ever, came off second best in these encounters.

He was born in 1880 at Portland, Ore., and graduated in 1899 at Hill Military Academy there. He went to the state of Washington in 1901 and joined Northwestern Mutual Fire of Seattle as clerk. He subsequently served in various executive capacities up to executive vice-president in charge of field operations. He was the organizer of General of Seattle, General Casualty of Seattle and First National.

Mr. Campbell was elected vice-president of the companies in 1949. He joined the organization in 1946 after war service as lieutenant colonel. He graduated from University of Washington in 1922 and entered the investment banking business, becoming resident partner of Dean Witter & Co. in 1929. He continued in that capacity until he entered the service in 1942.

which Lafrance of Quebec is chairman; life insurance legislation, MacLatchy, New Brunswick, chairman and accident and sickness legislation, MacPhee, Alberta, chairman.

The next morning there is to be taken up the licensing and regulation of agents under the direction of Lafrance and the subjects up are insurance law revision and automobile insurance legislation with Whitehead as chairman, and automobile assigned risk plan with Taylor of Victoria as chairman.

War Damage Issue Is Unresolved as Congress Adjourns

WASHINGTON—A declaration of policy to the effect that the federal government recognizes its obligation in the realm of war damage was proposed by Senator Frear, Delaware, in a joint resolution he introduced in the closing days of Congress. However, no action was taken on it, except reference to the Senate banking committee, of the subcommittee on insurance of which Frear has been chairman.

The resolution was introduced with the idea of further study of legislative proposals dealing with the subject. It contains a conclusion to the effect that the government should assume its fair share of responsibility for repairing war damage consistent with its ability to do so, but that legislation is deferred.

Frear said he offered his resolution so that there would be available for consideration during the congressional recess or adjournment a legislative declaration of the government's responsibility for war-caused damage.

In submitting his resolution, Frear in-

serted in the Congressional Record a statement, together with two memoranda summarizing activities of his subcommittee with respect to war damage. The statement said Ford and Packard motor companies and Nash-Kelvinator recommended legislation for federal reimbursement for war-caused damage and federal insurance of workmen's compensation losses.

The subcommittee received denial from the budget bureau of possible overlap of its war disaster bill with federal civil defense administration powers. Frear said both these matters should be attended to before any detailed bill is reported from his subcommittee. He said it might be helpful to have the benefit of a study by the national security resources board of "certain phases of this broad war damage problem."

Frear said he did not think the subcommittee should recommend legislation covering in detail federal government action to provide relief, rehabilitation and repair in event of war damage. This could not be done at present, he indicated, because of lack of knowledge of the likely extent of such damage, without running the risk of binding the federal government to a greater amount of financial obligation than it could effectively bear.

In fact, he opposed any legislative recommendation. He therefore proposed the "intermediate course" represented by a declaration of policy, leaving legislative details for later action. His resolution, he said "is consistent with the past policy of the Congress and the executive branch in insuring against war-caused property damage through War Damage Corp."

Adjournment of Congress killed not only war damage legislation until next year, but flood insurance likewise, unless the President calls Congress back into special session, as he has threatened to do.

Some insurance people believe that Senator Frear's statement of his position regarding war damage and his resolution proposing a declaration of policy recognizing federal government obligations with respect to war-caused damage will receive considerable agreement in the business.

They have differed in the past as regards provisions of several war damage bills considered by the Frear committee, but generally concurred that something may have to be done eventually.

Lumbermen's of Mansfield Ready for Agent Roundup

Lumbermen's Mutual will hold its annual agents advisory council meeting at the home office in Mansfield July 16-18. It will open as usual with a hospitality hour at the home of President C. E. Nail Wednesday evening, followed by a buffet supper at the Mansfield-Leland hotel.

Russell Davis, vice-president and production manager, will open the Thursday session and Mr. Nail will speak on "More or Less Dividends?" There will be a panel discussion on accounting, claims and underwriting problems, led by C. M. Boteler, Washington. Company officials on this panel will be S. F. Coffin, vice-president and underwriting manager; A. H. Benson, auditor, and J. L. Eberly, claim manager, and the agents taking part will be A. J. Cooper, Winter Park Fla., B. L. Thompson, Kansas City, and Arthur Kirby, Fort Worth.

Friday Panel

The Friday session will feature a panel on production also led by Mr. Boteler, with participants being D. W. Evans, assistant production manager of the company, P. H. Crandon, Stratford, Ct.; F. W. King, Fort Wayne; J. C. Bruin, Alexandria, Va., and H. L. Patterson, Omaha. J. C. O'Connor, executive editor "Fire Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, will also speak.

Other features will be a dinner Thursday evening, luncheon Friday at Westbrook Country Club, and a chuck wagon breakfast on the home office grounds Friday. The new home office building is nearing completion and will be a major attraction of the meeting.



C. E. Nail

Move to Scrap Chicago Agency Limitation Rule

The directors of Chicago Board of its last meeting voted to submit to its supervising agent membership at the semi-annual meeting, July 24, a recommendation that the agency limitation rule be abated.

Edgar O. Stoffels, president of the board, stated that this move has been intensively studied during the past year by the officers and directors. As a result of this survey, it was concluded that the agency limitation rule caused an insurmountable obstacle to a substantial number of the supervising agents who were endeavoring to solve their fire insurance capacity market problems. Moreover, the difficulties were being intensified by multiple line operations of companies seeking fire business to support the less desirable casualty accounts.

Historically, Chicago Board has always had some form of agency limitation rule which limited numerically the number of agents for each company. The present rule permitted its members to represent a company which did not have more than a total of seven agents and did not operate a branch office counter, or did not have more than five agents if the company or its affiliated companies in the fleet operated a policy-writing branch office or counter.

Suspend Enterprise Mutual

The Pennsylvania department has suspended Enterprise Mutual Fire of Philadelphia from writing further business and turned the case over to the state justice department for hearings on whether liquidation proceedings should be started.

Commissioner Leslie said the company had a substantial deficit as of May 31; that its assets are insufficient to pay claims, and that further transaction of business would be hazardous to its policyholders, to creditors and to the public. A preliminary survey, the department said, disclosed a deficit of \$193,000.


Its 1951 premiums were \$398,949, with a combined loss and expense ratio of 102.6. It is said to have covered risks located in more than 30 states, although all the policies were written in Pennsylvania, the only state where it is licensed.

Change in Nashville Agency

The Dobson-Bainbridge agency at Nashville has become the Dobson-Tankard Co. Allen Dobson is president and the new partner, Macon Tankard, will be general manager, with V. S. Campbell remaining as sales manager.

Tachau Forms Finance Co.

Bluegrass Premium Finance Co., Louisville, formed chiefly for lending money to finance insurance premiums, has been incorporated by Eric S. Tachau and others. Mr. Tachau is connected with Louisville Fire & Marine and the E. S. Tachau & Sons agency.



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K. C. F. & M. Enters East and South in General Agencies

In an aggressive move to spread its operations into the east and south, Kansas City Fire & Marine has completed the appointment of nine additional general agencies for fire and allied lines.

To handle New Jersey, the company has appointed the well-known firm of A. W. Marshall & Sons of Newark, for fire, inland marine and automobile physical damage.

To cover New Hampshire and Vermont, the newly-formed general agency of Charles H. Gordon & Sons of Manchester, N. H., has been appointed. Charles Gordon was formerly with North America as state agent for these states.

H. Grady Turner & Son of Columbia, S. C., is named for operations in that state. Mr. Turner for 28 years was state agent for Hartford Fire and has just recently entered the general agency field.

Arrangements are under way to enter Florida, and subject to final admission the widely-known general agency of George E. Edmonson & Co., of Tampa, has been appointed for the entire state.

Other appointments are Magnolia General Agency of Jackson, Miss.; Marion N. Watson & Co. of Atlanta, who will represent the Prudential Underwriters Department of the company; the Lewis Ledsinger agency of Atlanta, and the R. Spence Porter general agency of Lexington, Ky.

George J. Leonhard, Jr., of Madison is named general agent for southern Wisconsin.

Kansas City F. & M., which was organized in 1929 by interests associated with the nationally-known Kansas City agency of R. B. Jones & Sons has increased its operation considerably during the post-war period. Under the leadership of Morton T. Jones, president, and Cliff C. Jones, chairman, the company is rapidly expanding its territory throughout the entire country, although arrangements have not yet been completed for several additional states. Throughout the middlewest it operates direct. At the year-end Kansas City F. & M. reported assets of nearly \$8 million and gross writings of \$9,692,168, an increase of 25.6%.

Plans Are Announced for Neb. Insurance Institute

Plans were announced this week for the biennial insurance institute sponsored jointly by Insurance Federation of Nebraska and the college of business administration of University of Nebraska, to be held in Lincoln on the university campus Oct. 31-Nov. 1. Chairman of the general committee in charge of the institute is E. J. Faulkner, president of Woodmen Accident.

Oct. 31 will be devoted to eight papers elaborating on the general theme of the institute, which is "Current Trends, Developments and Problems in the Insurance Industry." That evening there will be a banquet and Saturday morning informal clinics and discussion groups will be held on the university campus. Saturday afternoon has been set aside for the University of Nebraska-University of Missouri football game.

H. Lewis Reitz, vice-president of Lincoln National Life, and Paul Wilson, executive vice-president of Planet, will discuss underwriting problems, trends and developments from the standpoint of personal insurance and property insurance, respectively. C. J. Zimmerman, managing director of Life Insurance Agency Management Assn., will discuss "Distribution Problems." The representative of property insurance to discuss this subject is to be announced. "Investments" will be the subject of Dr. James J. O'Leary, investment analyst of Life Insurance Assn. of Amer-

ica, and Shelby Cullom Davis, New York investment expert and former deputy superintendent of New York. R. L. Hogg, executive vice-president of American Life Convention, and Milton Mays of Insurance Executives Assn. will speak on "Relations with Government."

Forster in New Post

A. K. Forster has resigned as special agent for the Fish & Schulkamp general agency of Madison, Wis., to join the Milwaukee insurance counseling firm

of Strauss Zahn Co. He had been with Fish & Schulkamp the past year and a half, and prior to that was state agent in Wisconsin and upper Michigan for Sun for six years.

San Diego Marine Assn.

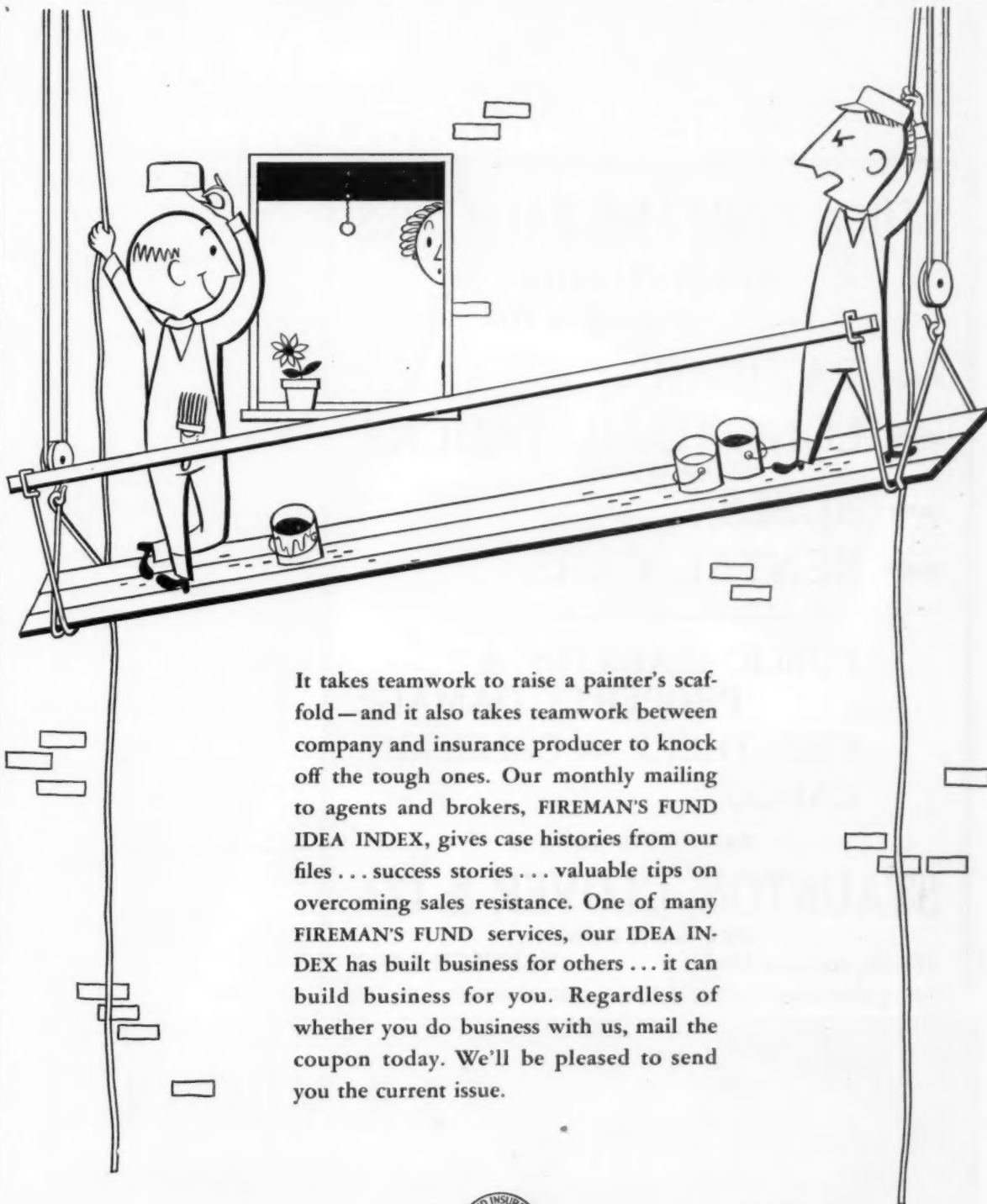
Marine Brokers & Agents Assn. of San Diego has been formed by agents and brokers in San Diego, Los Angeles harbor and other southern California ports writing ocean marine insurance on the tuna fishing fleet. Ted Stark of the White & Stark agency, San

Diego, has been named chairman.

Announcement was made that hull insurance rates on wooden vessels in the fleet will be increased 10% Aug. 1.

Will Revise Arizona Code

The Arizona corporation commission has appointed Paul M. Roca, Phoenix insurance attorney, to undertake the task of rewriting the state insurance code. The revision will be financed by a \$21,500 appropriation granted by the last legislature. The present Arizona code has been in use about 15 years.



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Livestock Office Now in 3rd Year

Livestock Insurance Office is embarking on its third year of operation, with the business now an I.M.I.B. controlled line. At the annual meeting of the member companies, Robert L. Maxwell of Home was elected chairman of the underwriting committee to succeed Urban M. Lelli, Phoenix of Hartford. The members of the underwriting committee are Mr. Lelli; J. H. Roberts, North British; T. G. Dahl, Great American, and Roy Wessendorf, Springfield F. & M.

Livestock Insurance Office was organized to meet the heavy demand arising from the blizzard of 1948 for freezing and smothering coverage on range cattle. So far premium volume has not been up to expectations, but

the writings have been confined to only two states, Kansas and Nebraska. The organization now is writing also in Colorado, New Mexico, Oklahoma and Texas, and with the two years' experience is ready to take a good volume of business from agents of the member companies.

Companies belonging to Livestock Insurance Office, whose headquarters are at 175 West Jackson boulevard, Chicago, are: Aetna Fire, America Fore, Appleton & Cox, Crum & Forster, Fire Association, Great American, Home, Kansas City F. & M., W. H. McGee & Co., National Union, North British, Phoenix of London, Phoenix of Hartford, Royal, St. Paul F. & M., and Springfield F. & M.

Sterling Sasser, Jr., has joined his father, Sterling Sasser, in his agency at Austin, Tex. He is a marine corps veteran.

Aetna Changes in Mo. Field

Raymond W. Smith is retiring at his own request as St. Louis resident manager of Aetna Fire. He has been with the organization 37 years. W. H. Crandall has been promoted from special agent to state agent, and is placed in charge of St. Louis and eastern Missouri.

Special Agent M. E. Palm is promoted to superintendent of the marine and inland marine departments at St. Louis. The facilities of this department and the territory handled are being expanded.

H. B. Jacobs has been transferred from Iowa to assist in St. Louis and St. Louis county, and Don Kloppman, who is a graduate of the home office training school, is traveling in eastern Missouri outside of St. Louis.

Sleet Covered as Hail Under E. C., Court Says

Damage to property as the result of sleet is covered under the hail provision of the extended coverage endorsement, Mississippi supreme court held in *Evana Plantation, Inc., vs. Yorkshire*. The case is reported in 7 CCH (Fire & Casualty) 862.

William Klaus, the owner of the Evana Plantation, testified that on the night of Jan. 31 the barns were damaged, "everything that could come on the ground except snow" fell, and that included ice particles, which caused the collapse of the barns. This was considered by the weather bureau to be a sleet storm and Klaus argued that sleet is covered in the extended coverage endorsement under the hail provision. The circuit court gave a peremptory instruction for Yorkshire apparently on the theory that hail does not include sleet. The supreme court, however, held that the meaning of hail must include sleet.

The provisions of the endorsement applicable only to windstorm and hail, the court said, indicate that sleet is not excluded. If Yorkshire had desired to exclude sleet from coverage, it would have been a simple matter to do so, the court added, "since both sleet and hail are ice and sleet is neither specifically included or excluded. Apparently the insurer regarded sleet as being in the category of hail, and certainly to the layman, reading the policy in its ordinary, everyday sense, the only difference between sleet and hail would be in the size of the particles."

Yorkshire argued that since the storm occurred in January it could hardly be classified as hail, although Webster's dictionary defines both a "summer hail" and "winter hail." Yorkshire said it was the intent of the policy to specifically exclude damage caused by "cold weather" phenomena including glaze, freezing rain, sleet or ice storms, or, in other words sleet being a loss caused by "cold weather" would not be included. The court stated that "clearly sleet more

closely resembles 'soft hail' or 'small hail' than it does 'cold weather.'"

The court added that there appear to be no decided cases discussing this problem.

Must Correct "One-Write" Policy Forms in Mass.

Fire policies written since last February on the new "one-write" form must be endorsed with a loss payable clause to protect mortgagee fully, New England Fire Insurance Rating Assn. has notified companies and agents. The clause in use in the state for many years was omitted from the new forms 10 and 12, and efforts to find a short-cut perfecting mortgagees' protection have failed.

Under Massachusetts law, a mortgagee is not fully protected without the special wording of the loss payable clause referring to present or future mortgagees. The companies were agreeable to a blanket incorporation of the clause in outstanding policies by filing letters with the insurance department, but the department, on legal advice, held that this could not be done. The rating association has issued a new loss payable clause designed to be attached to the fire policies, and thousands of such policies will have to be endorsed.

It is only through special provision of the Massachusetts law that the loss payable clause is essential. In a special bulletin to members and subscribers executive manager Benjam M. Hermes of New England Rating Assn. notes that policies written were either form 10 or 12 and which name a mortgagee on the first page should have a new loss payable clause attached to the policy. Future editions of the form will include the clause, he said.

Announce Utah Speakers

Four speakers have been announced for the annual meeting of Utah Assn. of Insurance Agents Sept. 22-23 at Salt Lake City. They include Commissioner Hammel of Nevada, who will talk on "The Modern Dictator," and Douglas H. Smith, executive vice-president of Utah Home Fire.

W. Cleon Skousen, executive secretary Brigham Young University Alumni Assn., Provo, Utah, a former F.B.I. agent, will speak at the anniversary luncheon. Charles Wheeler, president Salt Lake Hardware Co., a large insurance buyer, also will speak.

Action probably will be taken on a group medical-surgical-income reimbursement plan for members. Plans proposed by several companies are under consideration.

The executive committee of the association has arranged for a week-end outing July 19-20 at Fish Lake resort to which all association members and other interested agents are invited.

Addison P. Knapp of Jewett, Barton, Leavy & Kern has been appointed a member of the Portland, Ore., commission of public docks.

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Up-to-Date Edition of Agent's & Buyer's Guide Published

The 1952 edition of the Fire, Casualty & Surety Bulletins yearbook, Agent's & Buyer's Guide, has just been published. Earlier editions of the Guide, a publication of National Underwriter Co., have found enthusiastic use, not only among producers and buyers of insurance, but among company and bureau executives, regulatory officials, underwriters and students. Price of the new edition is \$5.

Valuable in survey and sales work, the Agent's & Buyer's Guide is unique in its information on companies that write unusual coverages—those which a producer may be called upon to provide without previous notice, but about which he must have information and markets at his fingertips. Only by referring to this "Who Writes What?" of property insurance can he avoid endless correspondence, costly phone calls and telegrams.

Markets for Unusual Coverages

The basic source of information for this "Markets for Unusual Coverages" section was a check of filings with insurance departments, but in preparing the 1952 edition, companies were asked for the first time, about their facilities for these less frequently written policies. Many new coverages are now listed for which no filings are required; and others which, despite a bureau filing, only a few companies will write in volume.

New this year is a section on "Underwriting Groups" such as pools, syndicates and associations, explaining how each group operates and the market it provides. This implements the "Who Writes What?" section and the "Directory of Insurance Offices Offering Services on Difficult or Unusual Lines."

A "Directory of Insurance Companies" shows what lines are written by each company—information available under one heading in no other publication. Enlarged directories of "Insurance Buyers" and "Insurance Buyers Organizations" are also included.

Definitions of Coverages

The recognized value of the Guide in survey work has been enhanced to meet constantly changing coverages and conditions, by the newly revised and augmented "Definitions of Coverages" section, an alphabetical encyclopedia of property insurance. This, coupled with "Survey Analyzer," "Check List of Prospects" and "Large Losses of 1951," forms a full cabinet of survey information and technique.

It is printed on extra thin, high quality paper to avoid the bulkiness which detracts from the usefulness of a desk manual. Thumb indexes make for easy manipulation, and the flexible cover allows for the heavy use which is inevitable once a user has learned what this book can do for him. It can be obtained from the National Underwriter Co. at 420 East Fourth street, Cincinnati 2, O.

Chubb Deductible Now O.K. in 37 Jurisdictions

The Chubb & Son deductible plan has now been authorized in Maryland and Massachusetts. This brings to 37 the number of jurisdictions that have

okayed it, including the District of Columbia, leaving 12 where it has not been approved. More than half the business, according to the company group, has been written on properties previously self-insured or not insured.

The jurisdictions, aside from the three above, where it has been approved are: California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Caro-

lina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, West Virginia, Wisconsin and Wyoming.

Enter New Orleans Bids

Bids have been tabulated for fire and E. C. cover for Housing Authority of New Orleans, with Dane & Northrop in behalf of Automobile bidding 16 cents for fire and 32 cents for E.C. for five years; J. H. Bodenheimer & Son for Trinity Universal, General of

Seattle, Gulf and Pacific bidding 32 cents and 36 cents; Meyers, Whitty & Hodge for Hanover, New Zealand and Detroit F. & M., 24 cents and 32 cents; Leftwich & Robinitt for Providence Washington, Security, U. S. Fire, Camden, North America, New Zealand, 22 cents and .1156; Steiner general agency for General and Trinity Universal 32 and 36; Leon Irwin & Co. for Federal and Pearl, .308 and .12. Winkler & Co. for New Zealand 22 cents and .1156; Hartwig Moss agency combined rate .60.

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Del. Court Solves Valued Policy Partial Loss Issue

Delaware supreme court in deciding on adjustment of loss under the state's valued policy law revised a 30-year old decision in declaring that loss must be adjusted under the applicable provisions of the fire policies, it being held that the valued policy law does not fix the value of property for the purpose of determining to what extent the insured is a coinsurer. The case is *American, Automobile, Camden, Continental and Northern of New York vs. Iaconi*, and is reported in 7 CCH (Fire & Casualty) 867.

The insured's mushroom houses, dwelling quarters and other buildings were partially destroyed by fire. He had five policies for \$12,000 each in the companies which brought suit, and on each policy was the Delaware valued policy law endorsement: "It is agreed between insurer and insured that the value of the real property insured is the sum of \$15,000."

Fire damaged the property something

in excess of \$15,000. After the loss, the companies claimed that the provisions of the valued policy law are not applicable to this claim because the law deals with total losses only, and the amount of the loss should be determined in accordance with the policy provisions, particularly in accordance with the coinsurance clause.

The insured said that the valued policy law should apply to partial as well as total losses. The agreed value of the property stated in the policy fixes the value of the property at the time of loss for the purpose of determining to what extent he would be a coinsurer, and since in this case the amount of insurance, \$12,000, equals 80% of the agreed value, he would not be a coinsurer to any extent and would be entitled to full recovery of his damage up to the amount of insurance carried.

The companies then said that if the agreed value clause were held to apply to partial losses in one respect, that is in application of the coinsurance clause, it should also apply in other respects and should supply the basis for determining the insured's measure of recovery. They contended also that such measure of recovery is that proportion of the agreed value which is represented by the percentage of actual destruction,

and that percentage should be held to be that proportion of the agreed value which the current cost of repairing the damage bears to the current replacement cost of all insured buildings.

Use Bice vs. Home Case

The insured relied heavily on the case of *Bice vs. Home*, in which was involved the 80% coinsurance clause on a policy with an agreed value of \$8,000. Total insurance was \$6,000, the sound value \$15,000 and the loss, \$2,609. The court at that time viewed the case as one presenting a conflict between the agreed valuation clause of the statutes and the policy's coinsurance clause. Expressing the view that it was the intent of the legislature to make every policy on real property a valued policy for all purposes, the court held that the agreed value must furnish the basis of settlement in the case of partial loss. The court held that in determining the extent to which the insured was a coinsurer, agreed value controls. The insured was awarded 60/64 of his ascertained damage.

The Delaware supreme court said that if the *Bice* case is to be accepted, the question arises as to how the adjustment is to be effected. One possibility is the "salvage" rule adopted in *Bruner vs. Automobile of Hartford*, under which from the agreed value is subtracted the value of the property remaining after the fire. The difference is the insured's damage. This is a highly artificial rule leading to grossly unfair results, the supreme court said, since if the property should increase in value to a point where the value of the property remaining exceeded agreed value, the insured would recover nothing. In cases of very small losses the rule would be unworkable.

"Percentage Rule"

The second possibility is the "percentage rule" under which the measure of the insured's recovery is the proportion of agreed value which the amount of insured's loss bears to the sound value of the property immediately before the fire. The companies in this case urged that if the *Bice* case were correct, the recovery must be related to the agreed value and the percentage rule should be applied. The court said that this is a maritime rule and it could see no reason to go into that field in order to handle a standard fire policy. No case sanctions such as innovation, it added. Several inequitable results that follow in such a rule were cited.

After examining the *Bice* decision in detail, the supreme court found its reasoning to be unsound, although it has apparently stood unchallenged for 30 years. The basic fallacy "stems from the holding of the court (tacitly assumed in its statement of the question) that the agreed value of the property

fixed at the time of the issuance of the policy must be in some way related to the adjustment of the loss. We think agreed value has nothing to do with the adjustment of the loss, except to defeat any recovery in the event the statutory limitation of insurance has been transgressed."

Any attempt, the court went on, to measure the insured's recovery by relating the loss adjustment to agreed value is impractical unless the policy is to be treated as a valued policy for one purpose and an open policy for another purpose. "Such a construction would produce hybrid contract, consistent neither with the theory of a valued policy nor with the basic concept of indemnity underlying all fire insurance. Moreover, the result is palpably unfair, since the insured is permitted to accept the benefits of an open policy in respect of one aspect of the loss adjustment, i.e., the measure of damages, and cast off one of its burdens—the policy requirement in respect of adequate insurance."

The case was remanded to the superior court with instructions to enter a declaratory judgment under which the valued policy law would not be applicable and under which the insurers' liability would be determined in accordance with the provisions of the policies sued upon, including the coinsurance clause.

New Licenses in Minn.

A new agency license application has been adopted in Minnesota, and one of the important new conditions is the requirement that the company endorsing the agent certify that it has "obtained and examined a character or credit report from a recognized investigating company." The company is further required to certify that the applicant is a person "fit and qualified to be licensed."

Commissioner Nelson hopes that the licenses will put an end to the type of agent who writes insurance solely on his own life or property, or that of himself and his relatives only.

Louisville Suburbs Rerated

G. H. Parker, manager of the Kentucky Inspection Bureau, has notified Jefferson county agents of extension of protection in fire protection areas, which will give lower ratings to property owners in a number of localities about Louisville where there are fire departments that qualify as to equipment and organization.

New Columbus Trustees

Insurance Board of Columbus has elected three new trustees: John E. Best of the Frank E. Kirkpatrick Co., John C. Glandon of the Lentz agency and J. M. Miller of the Miller-Cook agency. Officers will be elected by the board.



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Chicago Patrol Not to Be Terminated Voluntarily: Stoffels

Considerable interest has been evidenced in the Chicago area in the recent article, "Remaining Fire Patrols Face Eventual Closing," in the June 26, NATIONAL UNDERWRITER especially inasmuch as it was referred to in the Chicago Tribune June 30.



E. O. Stoffels

The Chicago Fire Insurance Patrol, under the able administration of Chief Frank McAuliffe, has been operated by Chicago Board through its manager, W. W. Hamilton, and its officers, together with a group of fire insurance company officials and agents elected to serve as a patrol committee. It was established July 1, 1874, by charter granted under an act of the state of Illinois, approved on that date, and has been continuously serving the city of Chicago for 78 years. The patrol is financially sustained by assessment upon all fire insurance premiums written by all insurance companies, stock, mutual or reciprocal, in the city of Chicago.

Stoffels Opposes Closing

Edgar O. Stoffels, president of Chicago Board, in an interview stated that the Chicago Fire Insurance Patrol would not voluntarily be terminated. He further stated that the need for the patrol service is more vital than ever before. The impact of inflation has increased building repair costs and values in the nature of stocks of merchandise, stocks in process, raw material and machinery, all of which are highly concentrated in the metropolitan area of Chicago.

He further stated that notwithstanding the increased efficiency and modern scientific methods of the fire department, water continues to be the most effective weapon used in extinguishing a fire, and no means has yet been devised to prevent the damage it causes to property of every description after the fire is extinguished other than the spreading of waterproof tarpaulins, a service which is performed only by the patrol. During 1951, he stated, the patrol spread in excess of 21,500 waterproof tarpaulins which minimized and prevented loss. If projected in terms of dollars this would represent a fantastic figure. This, however, is only one of the many services performed by the patrol. In answering over 11,300 alarms during 1951, in addition to covering stock, merchandise with waterproof tarpaulins, its activities included covering

roof openings damaged by fire to prevent subsequent rain damage, drying out and ventilating buildings after a fire, drying furniture, fixtures and machinery which have been exposed to water, direct salvage work by removing partially burned stock and perishable goods, and perhaps one of the most important activities, direct aid in promptly restoring sprinkler service in buildings, as well as electric and heating service subsequent to a fire.

Prevent Rekindled Fires

To prevent recurrence and re-kindling of a fire after the sprinkler system has been shut down, it has been the scrupulous practice of the patrol to guard and watch those premises until service is reinstated or a watchman is provided by the owners of the property, with the result that during the administration of Chief McAuliffe there has never been a recurrent or re-kindled fire of major proportion during the period that the sprinkler system was temporarily out of service because of a fire.

Mr. Stoffels voiced the opinion it is highly improbable that the municipality would ever undertake to assume the responsibility of providing all of the service equal to the standard now provided by the patrol, and there was great doubt that the city would be willing to assume the additional financial burden which maintaining this type and standard of service would entail. From the insurance company point of view, the subscribers have never questioned that the patrol salvage operation pays for itself. Mr. Stoffels said the patrol has experienced no difficulties in obtaining young men who meet its standards and that it currently has applications from a satisfactory number of eligible applicants. Twenty-three new men were employed during 1951. Of the patrol personnel 65% is under age 30, and the average age of patrolmen is under age 33. The officers' average age is 54.

Mr. Stoffels stated that he knew of no sound reason why there should ever be any thought of terminating this very satisfactory and creditable service. "With each passing year," he said, "the investment on the part of the insurance companies as subscribers for this particular service is yielding rich rewards in the direct form of salvage benefits, direct reduction of insurance loss, and as a medium of good public relations and immeasurable amount of good will."

Natl. Union Names Coyle Pacific Coast Agency Chief

National Union Fire has promoted Bert W. Coyle, formerly state agent in Oregon, to superintendent of agents in the Pacific department.

George M. Rolander, formerly at Spokane, has been transferred to Portland to succeed Mr. Coyle as state agent. Kermit A. Anderson also has been appointed state agent to handle part of Oregon. Richard J. Waters, formerly with Oregon Insurance Rating Bureau at Portland, replaces Mr. Rolander as special agent at Spokane.

Hal A. McGuirk has been appointed manager of the city department and supervisor of the engineering department at San Francisco. He will be assisted in the engineering department by W. P. Sovinsky, who has been an engineer at San Francisco.

The Pacific department will soon expand its quarters at San Francisco.

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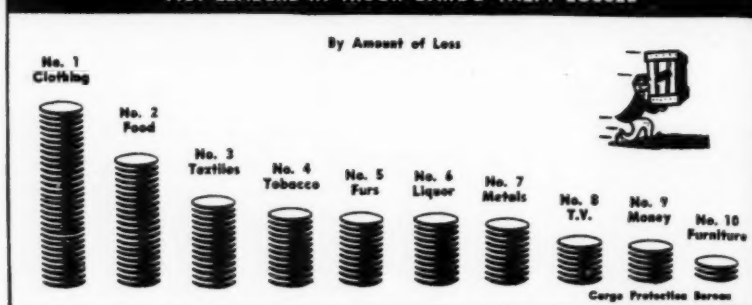
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Cargo Thefts May Reach \$75 Million

1951 LEADERS IN TRUCK CARGO THEFT LOSSES



A record toll of truck cargo thefts in excess of \$65 million was set in 1951 and at present the outlook for 1952 is that a peak of \$75 million will be reached, according to Cargo Protection Bureau of New York.

In its annual review of truck cargo thefts and hijackings, the bureau estimates that 30 vehicles were attacked every day of 1951 by thieves, with an aggregate daily theft of \$125,000.

Such a loss rate would have startled the shipping world six years ago, at the end of the second war, when truck cargo thefts were already regarded as representing a heavy toll, according to the Bureau. Yet 1945 truck cargo thefts were one-third of those today.

11,000 Vehicles Will Be Hit

Trucks registered have increased 80%, ton-miles moved by truck have gone up 190%, truck cargo thefts are up 200%. The FBI reports that while many other forms of crime actually declined or showed only modest increases in 1951, truck cargo thefts rose 20%. The 1952 toll is expected to add up to some 11,000 vehicles molested, with practically every section of the country affected and almost every type of cargo included.

In the bureau's 1951 list of thefts are shown such cargoes as hearing aids, cigarette lighters, toys, printing presses, plumbing tools, lipsticks, pipe fittings, baby foods, refrigeration supplies, photo-

graphic materials and all the old-time favorites.

According to the bureau clothing led the list of such thefts in 1951, with textiles second, food third. Furs, tobacco and liquor were next, still high up on the list of hot targets. Metals were seventh in 1951, steel, copper, brass and nickel accounting for a huge loss.

It is estimated that 75% of all tonnage moved in the U.S. now goes via truck, five times the tonnage moving by rail, the bureau stated. Today, two-thirds of all butter shipments are by motor carrier and more than half of steel tonnage goes by truck.

W. L. Wallace, Pacific National V.-P., Is Retiring

William L. Wallace, Vice-president of Pacific National Fire, is retiring at the age of 65. He was born at Camden, N. J., and graduated at Drexel Institute. He started with insurance business at the age of 15. He was with Fire Association and after six years with that company he became Los Angeles manager of Los Angeles Fire and Occidental Fire of New Mexico. Then he became assistant Pacific Coast manager for Norwich Union and was vice-president and general manager of Associated F. & M. for four years before joining Pacific National in 1932. He has occupied many positions with that company including eastern manager. Before leaving San Francisco for the east he was presented with many gifts at a series of farewell luncheons.



W. L. Wallace

Glens Falls Raises Frasca

Glens Falls has advanced James L. Frasca to manager of the claims and loss department at Philadelphia to replace Wayne T. Ash, who has been transferred to New York City as head of the claims and loss department.

Mr. Frasca has been with Glens Falls for five years, serving as adjuster and more recently as assistant manager of the claims and loss department at Philadelphia.



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Practical Advice for Adjusters

R. G. England, casualty claim supervisor for American States, in addressing a meeting of Southwestern Michigan Adjusters Assn. at Kalamazoo, suggested that adjusters report claims promptly, giving sufficient facts so that the claim can be properly appraised. That is, it should be made clear whether this is a claim that requires instant attention or one that can be let ride for a while.

There should be furnished a complete narrative statement from the insured. Lots of statements should be taken from the insured, the claimant, if possible, witnesses and often from people in the neighborhood who were not witnesses setting forth the fact they did not see the accident and know nothing about it. These are called negative statements. Medical reports substantiate the injuries and are necessary for the proper evaluation of a claim. They are like estimates in connection with property losses.

Diagram Is Essential

There should be included a diagram in the file. This should show the intersection or roadway and it is desirable to show the position of the cars before the accident, the position when they came together and when they finally came to rest. It is also well to draw a diagram in connection with general casualty files. If a person falls down a flight of stairs, show the steps as they appeared to the adjuster, even though the diagram is rough, giving an estimate as to how many steps there are, indicating whether there are any hand rails or coverings on the steps where the person fell and where the person landed. This not only helps the person reviewing the file but helps to fix the situation in the adjuster's own mind.

Scraps of Intelligence

The adjuster should include in his reports information concerning the people involved which may not appear at the time to be pertinent. Later events often prove that what was regarded as unimportant information becomes exceedingly important.

One company in an effort to improve its property damage experience, required all adjusters to check property damage over \$20, to investigate and make new garage and body shop connections where discounts and fair estimates could be secured, and getting three or more esti-

mates instead of two as in the past.

The association will hold a golf tournament Aug. 18 at Elks Country Club at Kalamazoo.

All-Industry Insurance Library at S. M. U. Planned

DALLAS—Establishment of an all-industry insurance library at the Southwestern Legal Foundation on the campus of Southern Methodist University merely awaits a few formalities that are "already cut and dried," it became known following a series of conferences called by Will C. Thompson, Dallas insurance attorney.

While the project is sponsored by the foundation, it is expected to receive the approval of American Bar Assn. and formal endorsement of its insurance section. According to present plans, it is to be designated the "Insurance Law Center," but Mr. Thompson and his associates have broadened their objectives so as to make it an all-industry reference library as well as the focal point for educational courses, seminars and special lectures for all branches of the business.

Formal approval of the plan is expected at the A.B.A. annual meeting

at San Francisco the week of Sept. 15. Robert G. Storey, nominee for A.B.A. president, is dean of the S.M.U. law school and has taken a leading part in setting up the project. It has the approval of Harlan S. Don Carlos, Travelers, chairman of the A.B.A. educational committee.

Ins. Co. of Texas Gains

Insurance Co. of Texas, which is owned by union members of American Federation of Labor in the state, now has paid-in capital of \$1 million, according to an announcement by Ben Jack Cage, president, at the federation's convention at Amarillo. He reported premium income in the last year increased 400% to an annual total of at least \$8 million. Mr. Cage announced that additional stock is being sold so as to increase the capital to \$2 million by the end of 1954.

Rate Reduction in California

Pacific Fire Rating bureau has announced a 20% rate reduction on hospitals and public owned buildings except schools in California, effective July 1. Brick mercantiles have been reduced 16 2/3%, this being accomplished by the

removal of a 20% penalty rate imposed some years ago because of adverse experience.

Plan Mayflower Party

Mayflower Ins. Co. of Columbus on July 16 will conduct its annual agency party. There will be a luncheon at Columbus and then the agents will adjourn to Darby Dan Farm for an afternoon and evening of sports and entertainment.

Buffalo Fire Protection Lags

Several recommendations for improvement were made in the National Board's report on the fire-fighting facilities of Buffalo, following a study made there last fall. The report states that the city will be charged with a higher fire protection classification unless several immediate changes are made.

Correct Auto Issue Ratio

In the annual Automobile issue, the loss ratio of Central Mutual of Van Wert, O., was incorrectly reported. The company had earned premiums of \$3,237,704 and incurred losses of \$1,174,200, producing an earned-incurred loss ratio of 36.2, whereas it was reported as being 53.8.



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financial foundation strong
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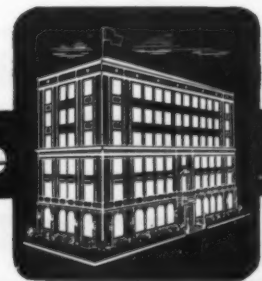
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is your protection... and the protection of your
assureds. Soundly financed and capably managed,
The Kansas City has \$1.53 in assets for every dollar
of liability... a foundation more than strong
enough to grow on! And The Kansas City has
enjoyed... and continues to enjoy... a
steady, healthy growth.

To protect your business and your assureds, represent
The Kansas City... grow with The Kansas City.

**Kansas City Fire and Marine
Insurance Company**

301 West 11th Street

Kansas City, Missouri



A MULTIPLE LINE INSURANCE COMPANY

STOCKS

By H. W. Cornelius, Bacon, Whipple &
Co., 135 So. LaSalle St., Chicago
July 8, 1952

	Div.	Bid	Asked
Aetna Casualty	3.00	95	97
Aetna Fire	2.25*	56 1/2	58
Aetna Life	2.50*	97	99
American Alliance	1.50*	33 1/2	35
American Equitable	1.50	29 1/2	31
American Auto	2.00	43	45
American (N. J.)	1.00	25 1/2	26 1/2
American Surety	3.00	51	53
Boston	2.60*	67	69
Camden Fire	1.00	22 1/2	23 1/2
Continental Casualty	2.60*	81 1/2	83
Fire Association	2.60	63 1/2	65
Fireman's Fund	1.60	58	60
Fireman's (N. J.)	.80	26 1/2	27 1/2
General Reinsurance	1.20	35 1/2	37
Globe Falls	2.00*	57 1/2	59 1/2
Globe & Republic	.80	14 1/2	15 1/2
Great American Fire	1.50*	37 1/2	39
Hanover Fire	1.50	36	37 1/2
Hartford Fire	3.00*	149	151
Home (N. Y.)	1.80	39	40
Ins. Co. of North Am.	2.50*	82	84
Maryland Casualty	1.00	22 1/2	23 1/2
Mass. Bonding	1.60	23	24
National Casualty	1.50*	28	Bid
National Fire	2.50*	66	67 1/2
National Union	1.80	41	42 1/2
New Amsterdam Cas.	1.50	38	39 1/2
New Hampshire	2.00	43	44 1/2
North River	1.20	28 1/2	30
Ohio Casualty	1.20	66	68
Phoenix, Conn.	3.00*	93 1/2	95 1/2
Prov. Wash.	1.50*	30	31
St. Paul F. & M.	.80	34	35 1/2
Security, Conn.	1.60	38	39 1/2
Springfield F. & M.	2.00	49	51
Standard Accident	1.60	37	38 1/2
Travelers	14.00*	668	675
U. S. F. & G.	2.00	55	56 1/2
U. S. Fire	1.40	45 1/2	47

*Includes extras.



American Equitable Assurance Company of New York

Organized 1918

Globe & Republic Insurance Company of America

Established 1862

Merchants and Manufacturers Insurance Company of New York

Organized 1849

New York Fire Insurance Company

Incorporated 1832

Corroon & Reynolds, Inc.

MANAGER

92 William Street, New York 38, N. Y.

Losses paid exceed Three Hundred Fifty Million Dollars

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Prompt Claim Service?



Then look to

GULF INSURANCE COMPANY ATLANTIC INSURANCE COMPANY



FIRE AUTOMOBILE INLAND MARINE



John Hitt, Aetna Fire, second from left, is shown being congratulated on his election as president of Wisconsin Fire Prevention Assn. by Carl H. Roggenkamp, Ohio Farmers, who was reelected secretary. At the left is William J. Meyer, Loyalty group, the retiring president, and at the right, M. W. Sampson, Fireman's Fund, the new vice-president.

Carbon Dioxide Proves Effective in Gin Fires

Recent fire extinguishing tests conducted in Mississippi reduced cotton gin fire losses and cut shutdown time by 75%, according to Walter Kidde & Co., of Belleville, N. J. These results, which were achieved with carbon dioxide fire extinguishing systems, indicate the vast majority of gin fires can be extinguished immediately with a saving of millions of dollars annually.

Arkansas-Missouri Cotton Ginners Assn. in a 1932 report on its activities for the previous year states that 137 fires struck 129 gins. While no estimate was made of the dollar loss involved, fires occurred most frequently in overheated cleaners, reparators, roll boxes, and burr extractors and resulted from rocks or metal, matches, or friction sparking off the blazes.

Another recent report by the National Board states that "the magnitude of fire losses in processing and storage operations has been considerable and excessive. In one record-breaking season, some 600 individual fires, not including hundreds of unreported small losses, were reported by insurance groups. These involved an all-time high of almost 100,000 bales, or an economic loss of nearly \$15 million. The fire-damaged ginning plants represented another \$2 million loss in property."

One ginner in Mississippi, prior to the installation of the Kidde carbon dioxide system, had periodic fires which were fought with water and resulted in an average down-time of three hours per fire. As this gin earns \$90 per hour while operating, each fire cost \$270, excluding water or fire damage to the gin itself.

For the 1931 season, this gin was equipped with a built-in, carbon dioxide, fire extinguishing system. That year nine fires struck the gin. Operation of the system extinguished each one in seconds, reduced down time to about 30 minutes per fire, and the speedy action of the inert agent permitted no damage to the ginning machinery.

The gin owner explained that the nine fires caused shutdown totaling only five hours and resulted in an operating loss of \$450. Going on previous experience, had these fires occurred and been attacked with water, they would have cost \$2,430. The savings were almost \$2,000, substantially more than the cost of the carbon dioxide system.

Underwriters in Mississippi have granted rate reductions for gins pro-

ected with Kidde carbon dioxide systems. Other cotton states are now considering similar action.

The Kidde method for cotton gin fire extinguishing simply inserts the interior atmosphere of the gin with carbon dioxide. The introduction of the gas excludes oxygen, without which fire cannot exist.

Scottish Union Names Two

Ralph G. Malone, Jr., has been named special agent for Scottish Union in Louisiana, and G. Allen Davis has been appointed special agent in Georgia and Alabama.

Mr. Malone is a graduate of Georgia Tech. He was in the army during the war. Mr. Davis graduated from Ohio State University and was with the marines in the last war.

N. E. Advisory Board Rally

A summer meeting is to be held by the New England advisory board and the tentative date is Aug. 11 at Burlington, Vt. The annual meeting and election will be held in November.

Home Mutual of Appleton, Wis., has withdrawn from Ohio.

WANT ADS

Rates \$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Monday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.
THE NATIONAL UNDERWRITER
FIRE & CASUALTY EDITION

INSURANCE EXECUTIVE

Well established large Indiana mortgage and real estate firm desires to employ high-type, experienced executive responsible for the administration of their complete insurance division including Fire and Casualty. Must be capable of taking complete charge and managing our General Agency. Write stating full details of experience, training, and personal data to Box M-24, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY UNDERWRITERS

Western department of rapidly expanding casualty company has openings for ambitious experienced men. Salary commensurate with experience. These positions can lead to branch office managers. G. Hubbard, 120 S. LaSalle Street, Room 400, Chicago, Ill.

AVAILABLE

Experienced Casualty Underwriter, Special Agent or Claim Agent for State of Wisconsin to operate out of Madison, Wisconsin. Seven years' experience. Address M-15, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

FIELD MAN WANTED

Multiple line Indiana Company needs field man to travel Central Indiana Territory, including Marion County. Basic knowledge of casualty lines necessary—some knowledge of fire business helpful. Salary open. Replies will be held strictly confidential. Address Box M-28, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Shown here is John F. Neville, who, as announced in a recent issue, is returning to National Assn. of Insurance Agents Aug. 1 as executive secretary. For 17 months Mr. Neville has been serving as an army captain with the judge advocate general's office. Until Mr. Neville's return, Donald W. Perin, assistant secretary, will be acting executive secretary.



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NEWS OF FIELD MEN

Kuehl Is Wis. State Agent of Millers National

Millers National has appointed Daniel H. Kuehl state agent for Wisconsin. He is a native of Neenah, Wis., and a graduate of Ripon College. He served three years as a pilot in the air corps, and was discharged as a first lieutenant. His headquarters will be 634 Winnebago Heights, Neenah.

Utah Blue Goose Elects Livsey Most Loyal Gander

Utah Blue Goose has elected Carl S. Livsey, Security, as most loyal gander; S. Locke Beeman, Kolob Corp., supervisor; Knox Moore, General Adjustment Bureau, custodian; Royal Gelder, Jr., Standard General Agency, as guardian; Robert L. Salmon, Jr., Agency Company, keeper, and Roy Donaldson, Great American, welder.

Eight candidates were initiated, raising the membership of the Utah pond to 91.

About 70 ganders and their families attended the annual outing at the Homestead resort near Midway, Utah.

B. B. Bolton Makes Change

B. B. Bolton has joined the Bradshaw & Weil General Agency Co. of Louisville as special agent and engineer. Mr. Bolton is a graduate in engineering from University of Kentucky, was employed for more than three years by Kentucky Inspection Bureau, and more recently was special agent with Great American in Cincinnati.

Seattle Blue Goose Elects

R. H. McDonald of Gould & Gould was elevated to most loyal gander of Seattle Blue Goose at the annual meeting. He succeeds John A. Milot, independent adjuster.

Ernest W. Parks was named supervisor; Howard J. Vallentyne, custodian; Boyce Stanard, guardian, Robert W. Shinolt, keeper; and Sheffield McDonald, welder.

The Seattle pond's golf team defeated the British Columbia visiting team for the A. Z. DeLong trophy. John D. McAnally, Pioneer agency, Longview, won the Lee H. McKenzie trophy.

Porter to Be General Agent

R. Spence Porter, Lexington, Ky., special agent of America Fore in eastern Kentucky and with the group 22 years, has resigned, and plans to enter the general agency business at Lexington. It is understood he will have three companies at the start.

W. B. Triplett Retires

State Agent W. B. Triplett of Royal-Liverpool has retired. He has been in the western Kentucky field and is succeeded there by David J. Boyle, who has been associated with Mr. Triplett in that territory.

Fla. Field Group Elects

Florida Field Conference at its annual meeting at Miami elected Louis P. Hebard, general agent of Jacksonville, as president; Ray L. Lewand, New Hampshire Fire, vice-president and

George H. Drussel, Brundick & Bowles of Tampa, secretary-treasurer.

The executive committee consists of Mr. Hebard and E. F. Gaskins, American; J. T. Rhudy, Rhudy & White general agency; H. A. Chadbourne, Aetna Fire; Hawkins Connelly, Seibels, Bruce & Co.; J. W. Boyd, A. H. Turner Co. of Jacksonville and C. A. Atkins, Hurt & Quin.

Agnew with Great American

E. J. Agnew, branch office manager at Amarillo, Tex. for the Floyd West & Co. general agency, has been appointed special agent in the Lubbock area for Great American to succeed Frank L. Banks, resigned. Mr. Agnew formerly was with the Loyalty group at Houston and the home office.

Harry W. Giblett, formerly special agent at Seattle for Fire Association, has joined Ewing & Clark, Seattle, as manager of insurance department.

New officers of the Oklahoma Blue Goose auxiliary are Mrs. J. W. Butler, president; Mrs. Dalter F. Danielik, vice-president; Mrs. David C. Drage, secretary, and Mrs. E. Rainey, treasurer.

The June meeting of the ladies auxiliary of the Alamo Blue Goose was marked by a Mexican dinner with Mrs. E. B. Moore, president, and Mrs. John Marley, social chairman, as hosts. Plans for the meeting at Dallas were presented.

NEW YORK

HONOR MAGENHEIMER'S 29 YEARS

An informal luncheon of close associates and friends was held at New York to mark the 29th service anniversary of John L. Magenheimer, assistant U. S. manager of North British. General Counsel E. McLoughlin was host.

Mr. Magenheimer was appointed to his present post in 1951. With the group since 1923, he progressed through various home office and field positions, being recalled to the New York office in 1946 as western department secretary. Since 1948 he has been assigned to administrative duties.

GIVEN NEW YORK BOARD POSTS

T. Morgan Williams, vice-president and secretary of Home, has been elected chairman and H. J. Kiefer, secretary of Aetna Fire, vice-chairman of the directors of New York Board of Fire Underwriters.

Charles H. Conklin, president of Northern of New York, has been elected chairman of the New York Board's committee on laws and legislation and a director. Sinclair T. Skirrow, vice-president of Great American, is vice-chairman of the committee.

CHICAGO

AGENCY HAS TV FOR CONVENTION

Employees in the Chas. U. Victor agency in the Insurance Exchange building, Chicago, were not deprived of the chance to keep abreast of affairs at the Republican national convention this week. A television set was installed on the counter at the front of the office and was kept going during the convention hours. Those who were too



CONFIDENCE The Logic of Selection

Some ideas flourish. Some people are chosen. Some things endure. Because men think, quality is recognized. Quality is achieved by refinement. To know what and how to refine comes only with experience. Hanover's hundred years of experience speaks for itself.

A century devoted to developing a problem solving approach to the needs of its clients and agents, has earned for Hanover the confidence which in insurance is the hallmark of quality.

Make this confidence in Hanover work for you. Consult our field men for competent, friendly advice.

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ST. LOUIS 1
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REINSURANCE MARKET

Both Fire & Casualty

FOR INQUIRY—

WRITE



**NARRAGANSETT
INSURANCE COMPANY**

OF PROVIDENCE, RHODE ISLAND

17 Custom House Street

busy to watch at least had the opportunity to hear the events as they transpired.

TRIAL LAWYERS CLUB ELECTS

Joseph T. Lavorci, attorney for Century Indemnity, has been elected president of Trial Lawyers Club of Chicago. The club consists of lawyers who specialize in the trial of insurance cases in local courts. It was organized four years ago to improve trial techniques and court procedure and to expedite the trial of lawsuits.

Mr. Lavorci received his A.B. from De Paul in 1933 and his J.D. degree from its college of law in 1936. He was admitted to practice law the same year.

Alexander Petrocelli is vice-president of the club; Melvin Garretson, secretary, and Joseph Schwaba, treasurer.

LLOYDS BROKERS ELECT

Assn. of Lloyds Brokers of Illinois has elected new directors and new officers. The chairman is L. F. Hawley, Newhouse & Hawley, reelected. Treasurer is Eugene F. Engelhard, Engelhard & Co., and the secretary is Russell Spicer, Illinois Appleton & Cox.

New directors elected are Mr. Engelhard; Leslie H. Cook, L. H. Cook, Inc., and Howard E. Mankin, Excess Underwriters.

McKerrow Flies to London

Vincent S. McKerrow, president of Griffiths, Tate, Ltd., Chicago, flew from New York to London June 28. He plans to spend several weeks in London for the purpose of extending the firm's binding authority before returning about July 20.

SECURITY NOW AT 208

The Chicago office of Security of New Haven under Resident Secretary J. G. Hubbell is now installed in new quarters at 208 South La Salle street. The office number is 1026.

Discuss Auto Rate Increase

LOS ANGELES—The announced increase in automobile insurance rates and the unfavorable reaction of the public was discussed at a meeting of the Los Angeles Chamber of Commerce insurance committee. Carl F. Glasbrenner, manager of the Los Angeles service office of Glens Falls group and chairman of committee, said it is the consensus of the committee that automobile rates can be reduced if the accident record shows a decided decrease, if repair costs can be reduced, and above all if judges and juries will take a realistic view in awarding verdicts.

City officials and insurance leaders gave the committee their views on the situation.

Hail Losses in Colorado

Two severe hail storms hit widely separated points in Colorado this week. One was at Sterling, where about 2,000 losses were reported, and one at Ft. Collins, with about 1,000 losses expected.

Opens Albuquerque Office

Great American has opened a service office at Albuquerque, in charge of Harold V. Burke, who formerly traveled the entire Rocky Mountain field out of the Denver service office.

Takes on Baloise Marine

The Frank Rimmer & Co. general agency of Dallas has been appointed general agent for Baloise Marine to write fire and marine lines in Texas, Oklahoma and Arkansas.

Placement Plan Grows

The Dallas Placement Board, a committee of Dallas Assn. of Insurance Agents, has had to move to larger quarters, due to a 40% increase in the business it handles. B. Felix Harris is chairman of the board which has handled the city of Dallas insurance since

1931. Today it also places the insurance on property of the Dallas Housing Authority, the Dallas park department, Dallas independent school district, the city-county hospital systems and the county of Dallas, except for three road and bridge districts.

Experts at Utah Fire School

J. W. Stevens, assistant manager National Board, Loren Bush, chief engineer Pacific Board, both of San Francisco; Joseph A. Ottenheimer, Transportation Insurance Agency, and William S. Hayes, assistant district engineer of Pacific Board, Salt Lake City, were speakers at the firemen's training school at Salt Lake City.

New L. A. Headquarters

The Los Angeles office of Phoenix of Hartford has been moved to enlarged attractive new quarters at 3440 Wilshire boulevard. It is in charge of Donald E. Walker, assistant Pacific Coast manager.

WHERE TO PLACE YOUR BUSINESS

A guide or directory of responsible and adequately equipped local agents. These offices have nation-wide facilities for handling your out-of-state business.

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Engineering Services—All Lines

The largest insurance agency in the State of Wisconsin

FISHING BOATS—CAPE COD...

More than a century ago, Thoreau wrote of Cape Cod, "In the summer I saw . . . men fishing for bass hereabouts." The Cape still provides fertile waterways for every type of fisherman. Small boys with their willow poles, expert sportsmen with their expensive gear, deep sea fishermen, surf casters, commercial fishermen all come home satisfied with a good catch.



PAWTUCKET MUTUAL

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COMPANY

INCORPORATED 1848

25 MAPLE STREET

PAWTUCKET

RHODE ISLAND



About a year after Thoreau completed his famous experiment at Walden, the Pawtucket Mutual Insurance Company was organized. Consistent dividends and substantial savings to policyholders have characterized its history. Today, when every penny saved is a penny earned, conscientious agents and brokers everywhere should investigate Pawtucket Mutual's policies in the interests of their assureds.

N. Y. City Levy on Agents and Brokers Is Doubled

On July 1 the gross receipts tax in New York City was increased to two-fifths of one percent on brokers and agents, from one-fifth. This applies to receipts, no matter where the insurance originates or the subject of the insurance is located. The tax may result in a move from the city by some of the production offices. It already has stimulated several investment firms to move outside city limits.

As it applies to insurers, the tax remains at one-fifth of one percent. This is on premiums written in New York City whether fire, casualty, marine or life. Premiums are defined as gross receipts in the case of insurers, and they fall under the section of the tax law which was not increased.

Life, fire and casualty insurers are disputing the city's contention, recently put forward, that insurers' investment receipts should also be subject to the tax. This issue probably will go to court.

The one-fifth of one percent tax on premiums developed in New York City is a considerable item for companies. For one group the tax amounts to around \$50,000 a year. The two-fifths of one percent on agents and brokers will amount to a substantial levy, especially for the larger brokerage houses which do a nationwide business.

Martindale Resumes Post

Melvin E. Martindale, who left the Texas department to become a consulting actuary, has resumed his former post of actuary to the Texas commissioners.

Roesch Leaves Spectator

W. Eugene Roesch, who has been with the Spectator for more than 20 years, has left that organization and will announce his new business position in September. He was educated at Holy Cross College. He is a veteran of the first war. With the Spectator, he was successively life editor, casualty editor, fire editor, managing editor and field editor. Prior to that, he had been secre-

tary of a casualty and surety company and subsequently was with the M. & S. agency of Newark.

N. D. Hail Losses High

Losses of the North Dakota state hail department this season have been the heaviest in its history, Manager R. O. Lageson reports. Claims have poured in so fast his office has not been able to tabulate them, he said. Claims are running about double this time last year, with from 500 to 1,000 coming in from two recent storms that swept a dozen counties.

Mutual Raises Wash. Rates

State Farm Mutual has increased private passenger B.I.-P.D. rates on an average of 12% in the state of Washington, effective June 30. Emergency roadside service rates were reduced 20%.

It has also filed rates for medical payments coverage, \$2,000 limit, as well as broad form drive-other-cars medical payments coverage.

"National" Bill Approved

WASHINGTON—President Truman has signed the bill to allow use of the word "national" in the names of certain insurance or indemnity companies.

Pa. Comp Rates Down 6.4%

Commissioner Leslie has announced his approval of a revision in compensation rates as proposed by the Pennsylvania Compensation Rating & Inspection Bureau. The new rates apply to all policies, excluding coal mine, which become effective on and after July 1, and will, on the average, be 6.4% lower than those now in effect.

The average reduction for classifications in the manufacture and utilities group is 8.7%, for those in the contracting and quarrying group .9%, and for those in the other industries group 7.2%. The rates for 124 classifications will be reduced, 23 will be increased and 40 will remain the same.

It is estimated that the reduction in rates will result in savings of approximately \$2,600,000 to employers.

N. J. Law Amendments

One workmen's compensation law amendment in New Jersey which is now effective permits examination of hospital records in connection with claims for compensation or damages for personal injury or death resulting therefrom where venereal diseases are involved. Another change in New Jersey brings elective officials under the New Jersey W. C. law.

N. Y. Rate Change on Way

New York compensation Insurance Rating Board currently is preparing a general rate revision to become effective Oct. 1 subject to New York department approval.

Policies covering risks subject to either manual or experience rates with rating anniversaries prior to Oct. 1 are to be written on the basis of current rates.

Revisions in other states as they are made this year in general call for increases.

NO SALES RESISTANCE

Wage increases always lag behind price increases, leaving the average wage earner as the real victim of inflation. They must shop carefully to make two ends meet. They are shopping for insurance, too.

Agents who represent Lumbermens of Mansfield find no sales resistance to lower insurance costs among wage earners. Many times the dividends which they receive go for other necessities — things they really need.

So — let's give the wage earner a break! Offer them insurance in Lumbermens of Mansfield — one of America's leading non-assessable Mutual Fire companies — a company with an unbroken record of dividend payments to policyholders since 1895.

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"MUTUAL INSURANCE IS OLDER THAN THE NATION"

HIGHER PRICE LEVELS
REQUIRE MORE FIRE INSURANCE COVERAGE
Are Your Assureds Adequately Protected?
CONSULT US ON

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Since 1910

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EDITORIAL COMMENT

The 50-Year Man Is Passing

The 50-year veteran has long been so familiar in fire insurance that his existence can be called characteristic of the business. There are a number of such men who after half a century with one organization are still hale and hearty and put in a solid week of effort.

Many of these men, perhaps most of them, went to work for the insurance company when they were graduated from high school, or even worked part time for the insurer while there. The fire business has been slow to adopt pension plans with their concomitant of mandatory retirement at 65 so that many men have worked for an insurer as long as they were able to do so, well past the 65-year mark.

However, this tradition of 50-year men may not be as characteristic of the fire business in the future. Insurers are turning more and more to college men. This adds four years or so to the age of the men whom insurers hire and subtracts them from the other end. Military service, which promises to last a long time, adds a few years more to the age of most men who will bear the

burdens of the future in the insurance business. Some formal pension plans are in effect in fire insurers, and these will induce earlier retirement. The working time is being reduced at both ends of the life span. The 50-year veteran will become more rare in the years ahead.

The fact that there are likely to be fewer half century veterans in the business, some of them executives of their companies, in the future serves to point up the elements that account for the phenomenon. One is security. Though men occasionally feel they do not move along rapidly in a fire insurance company, the stability of the business is a powerful influence. It takes a long time to become seasoned in the business, but once experience and judgment have been acquired and have proved themselves, they have a substantial value in the business. The rewards may not be quite as great in salary level, but they are more certain, and unquestionably can be enjoyed for a longer time even though that time is apt to be less than it used to be.

Need for One Source of Information

There arise with great regularity examples of needs which can be met satisfactorily only by an information clearing house serving all branches of the fire and casualty business. This need has existed for a long time. So far as is known, there is currently no definite effort to meet it, though a good many in the business recognize its existence and there have been suggestions from time for an organization of this kind.

Questions keep cropping up to which it is difficult to find the answer at any one location in the fire-casualty business.

This is baffling enough to someone in the business; it is frustrating and not entirely understandable to those on the outside. These questions may be asked by lending institutions, universities, municipalities, writers, and a hundred other organizations or persons. They are being asked all the time.

It is not that the business is unwilling to answer such questions. As a matter of fact, most of those who are approached are eager to be of assistance; they furnish what information they have and do their best to pass the inquirer on to others who can also be helpful.

Consequently, it is doubtful if any of the questioners actually reach a conviction that the business is attempting to conceal anything. On the other

hand, the impression is pretty definite that for a business that is highly organized with many associations and bureaus and for a business that relies heavily on statistical information in order to function successfully and on all kinds of information to underwriter satisfactorily, it is odd that there is not one place to go to get essential information or directions to where it can be obtained readily.

A fairly simple example of questions of this kind arose a few years ago when the savings banks, which were beginning to place mortgages all over the country, sought to find out the coin-surance requirements on fire insurance of private dwellings and other classes of buildings in the various jurisdictions. These were rules which the business itself has set up. They were not laws or regulations imposed by government or outside agencies. Yet it was not at all easy to get this information together. In the end, the committee working on the problem went to one of the large companies which asked its state agents across the country to furnish it.

The need seems to be for an information clearing house. This would be, however, a research type of operation, so that if it did not have the information, it could develop it. Some information would take a good while and a considerable effort to procure. It also

embraces the notion of research for the business itself.

A good deal of research of varying quality is being done today, but very often this is "directed" research. It is not objective, but is responsive to a need for immediate conclusion. Such inquiries often have the objective of producing answers decided in advance. There is certainly nothing wrong with this kind of research and study, but it is not the kind discussed here.

Questions asked by outsiders to a considerable extent are the sort that call for objective research. The difficulties come from questions posed from within the business. It would take some

doing to keep such questions out of the realm of preconceived answers or leanings. In the latter category would be those inquiries dealing with term business, underwriting profits, and a host of casualty problems that have arisen in the automobile insurance field, for example.

The basic idea behind any public relations program is to inform the public. If a business cannot inform those who ask questions, it can hardly hope to succeed in informing those members of the public who do not ask questions and who may even resent being informed through advertising and public information of various kinds.

PERSONAL SIDE OF THE BUSINESS

William E. Boyd, Jr., superintendent of agencies of Travelers Fire and Charter Oak Fire, whose retirement after 27 years of service was announced last week, has been in the insurance business since 1911, when he started with Underwriters Laboratories as an engineer in New York State. He was with New York Fire Insurance Rating Organization, National Fire as special



W. E. Boyd, Jr.

agent in western New York and with a local agency at Buffalo before joining Travelers in 1925. He became superintendent of agencies in 1935. During his career with Travelers, Mr. Boyd had supervision of offices in the middlewest and south, in New York City and Boston, and along the Atlantic coast.

Hugh Dawson, immediate past president of Cleveland Board, is in Chicago this week in an official capacity in respect of the Republican national convention. He is central committeeman from Cuyahoga county and is keeping everything well under control.

Denzil Brown, Dixon Realty & Insurance Co., Provo, Utah, and **Merrill K. Davis**, legal counsel and executive secretary of Utah Assn. of Insurance Agents, are delegates at large from Utah to the Republican convention at Chicago.

Loren Rogers of Ontonagon, Mich., is in Chicago this week as a delegate to the Republican convention. He is immediate past president of Upper Peninsula Assn. of Insurance Agents.

J. P. Leatherman of Lansing, Mich., general agent of Continental Casualty and Continental Assurance, was married to Nellie M. French of East Lansing.

J. B. Patterson, Wichita attorney-adjuster and member of the Sunflower Blue Goose puddle, is a Kansas delegate to the Republican national convention at Chicago this week.

H. J. Mortensen, who served as Wisconsin commissioner from 1931 until 1939, was featured on the front page of the newspaper at New Lisbon, Wis., on his 50th anniversary of admission to the Wisconsin bar. There is incorporated in

the story a two-column picture of Mr. Mortensen at his office. He graduated at University of Wisconsin law school in 1902. He is president of New Lisbon State Bank and over the years he has held many elective and appointive offices, as well as taking part in important civic activities. The reporter said that Mr. Mortensen has always been a man of careful habits, never using liquor or tobacco and is noted for being systematic and punctual in all his activities.

Three recently elevated head office executives of **Standard Life & Accident** of Oklahoma City are Jack D. Oliver, James R. Fitzgibbon and F. M. McKiernan. Mr. Oliver is named secretary and a director. He is also treasurer and a director of the NAPA Insurance



Oliver Fitzgibbon McKiernan

Companies of Oklahoma City. He attended Oklahoma law school and was examiner for 12 years for the Oklahoma department until joining Standard Life & Accident.

Mr. Fitzgibbon is the A. & H. agency director. He attended journalism school at Northwestern university and was a pilot in the second war. He was formerly with Great American Reserve of Dallas, and was group manager of Reserve Life of Dallas.

Mr. McKiernan is named life agency director. He attended Santa Clara university at San Jose. He started in the insurance business in 1932. He was formerly superintendent of agents of Northwestern Life of Seattle and regional sales director of Great Southwest Life of Phoenix, Ariz.

W. S. Gibbons, St. Paul manager at Wichita and secretary of Kansas Fire Prevention Assn., who has been in the hospital much of the time since May 14, is now recuperating at his home, and hopes to be out of bed later in the

The NATIONAL UNDERWRITER

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month. He received many greetings on July 4, his birthday. All home office employees signed one card.

Stewart McDonald, chairman of Maryland Casualty, has been named a member of the reconstituted advisory board of Columbia University's institute for urban land use and housing studies.

Charles J. Unger, executive secretary of New Jersey Assn. of Insurance Agents, has entered New England Baptist Hospital at Boston for an operation. During his absence, William O'Brien, a former editor of the "Insurance Agent," will get out that publication.

John D. Schneider, claims attorney for Fidelity & Deposit at Omaha, was married at Farmer City, Ill., to Miss Eileen Howe, who has been with the State Farm companies at Lincoln, Neb., for several years.

Neville G. Allen of Laurel, Miss., the new president of Mississippi Assn. of Insurance Agents. He was elevated from vice-president and succeeds Julius G. Berry of Tupelo.



DEATHS

MARJORIE COURTNEY ERICKSON wife of Gunnar J. Erickson, state agent of Royal-Liverpool at Grand Rapids, died at her home at Rockford, Mich. Mrs. Erickson was in the local agency business at Springfield, Mo., and was with St. Paul Fire & Marine at St. Louis.

ARTHUR W. WATSON, Cleveland manager of Ocean Accident since 1930, died at St. Johns hospital there at the age of 69. He was educated in England and started in that country with Ocean Accident. He came to the U. S. in 1915 and after serving with other companies in this country again became associated with Ocean Accident.

JACK R. THOMPSON, SR., Louisville insurance man, died at Veterans

Administration Hospital. He was with the old Kentucky Actuarial Bureau as an engineer and later with agencies at Ashland and Pikeville, Ky. Returning to Louisville, he was for some years with First Kentucky Fire and then joined the agency of his brother, Sterling G. Thompson. He was a grandson of Col. W. H. Wheeler, for many years state agent of Home in Kentucky.

E. M. SCHOEN, who retired Sept. 30, 1942, as western manager of Atlas, died at the home of his son, E. M. Schoen, Jr., who is an adjuster at Dallas.



E. M. SCHOEN

His age was 75. He started as an office boy for Orient in 1893 under B. W. French and went with Atlas in 1905 as state agent at Kansas City. He became assistant general agent in 1921 and manager in 1924, succeeding E. W. Jewell. While traveling in Missouri he served as president of Fire Prevention Bureau of that state and was most loyal gander of the Missouri Blue Goose.

WALTER G. ROERHLE, manager of the Phoenix-London northern New Jersey service office, a field man for the group for more than 25 years, died.

GEORGE F. BRICE, 71, president of White & Bolland, Seattle, and Brice Mortgage Co., Portland, died while visiting at Pasadena. He was also a director of General of Seattle.

HENRY KING CARTER, who was for several years chief executive officer in this country for Caledonian group and who retired in 1948 because of the condition of his health, died at his home at West Hartford, Conn. His age was 63. He came to the U. S. in 1942 to succeed Robert R. Clark as president of Caledonian-American and as U. S. chairman of Caledonian and Netherlands. He had to lighten his duties commencing in 1947.

Mr. Carter was with North British & Mercantile at London. He served with the Royal Marines in the first war and was severely wounded. He was with Caledonian for 19 years before coming to this country and was executive of the overseas department.

Lt. WILLIAM BARTON, 28 year old navy dentist, who died of poliomyelitis at Tripler army hospital, Pearl Harbor, T. H., was the son of T. E. Barton, Jr., of Highland Park, Ill., who is Chicago manager of U. S. Casualty, and of Mrs. Barton. Lt. Barton got part of his professional training in the navy program and had been in the navy something over four years. He had been stationed at Pearl Harbor for the past year. He is survived by his widow and

(CONTINUED ON PAGE 27)

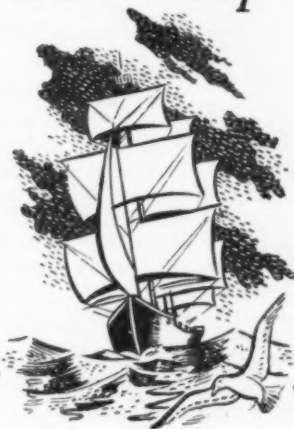
FASCINATING

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FACTS...

the First United States Warship

JUST 2½ MONTHS after the battle of Bunker Hill, in September, 1775, the Schooner Hannah, captained by Nicholson Broughton, was commissioned by the United Colonies and went into action as the first American warship.

AS NAVIES WENT, America's new navy was not much: a few frigates, supplemented by a swarm of privateers commanded by New Englanders.



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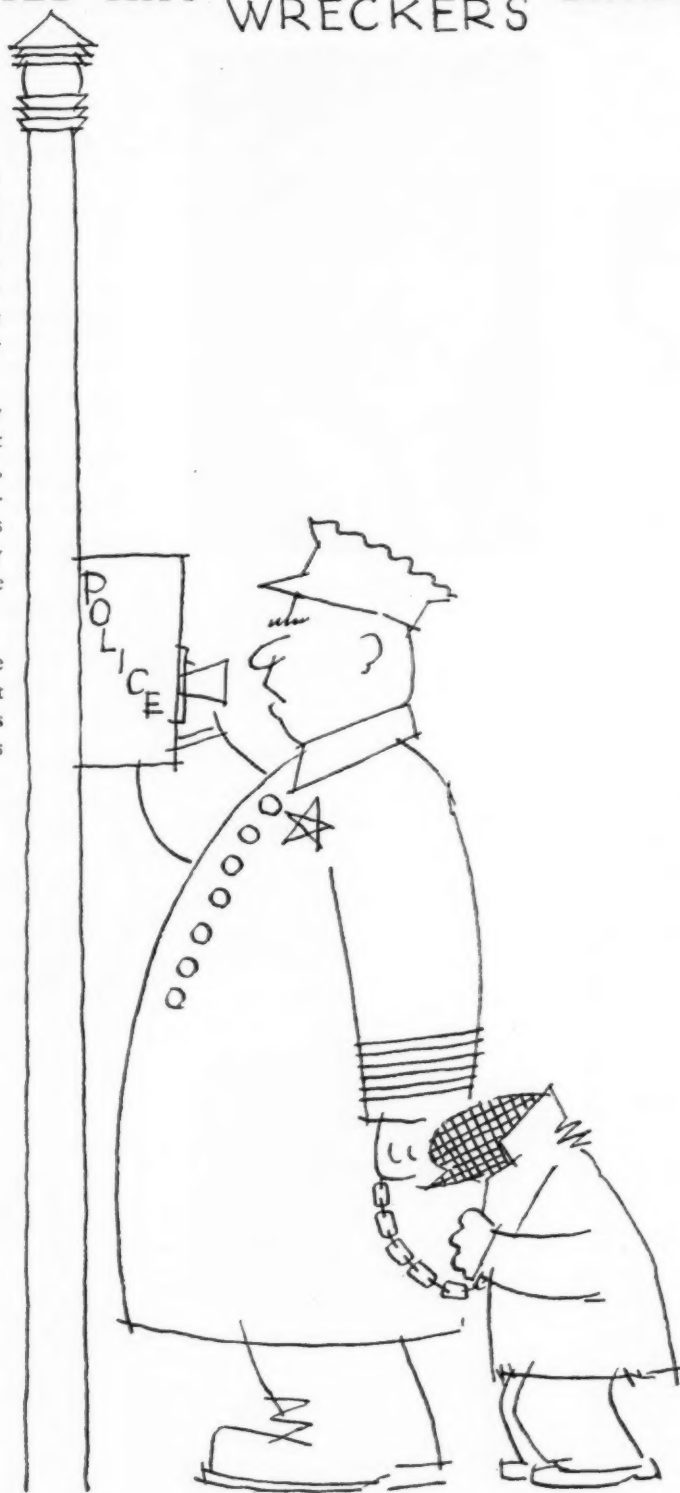
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Swift Rise of NACCA and Portent of the BIG AWARD

The purposes of National Assn. of Claimants' Compensation Attorneys, familiarly known as NACCA, were discussed at length in a paper presented by Thomas W. Wassell, claims manager Texas Employers Insurance Assn., at the meeting of National Assn. of Mutual Casualty Companies and National Assn. of Automotive Mutual Insurance Companies in Chicago. What it stands for, what its objectives are, what it is doing and finally what may be done about it constituted Mr. Wassell's theme.

The association was started in 1946 by 17 lawyers in Portland, Ore. Today it has a membership of about 1,750 lawyers, has expanded into 21 states, and has expressed intention of shortly becoming nationwide in scope and effect. One founder Samuel B. Horovitz, has said the association is the natural outgrowth of claimants' attorneys getting together to learn from each other, to exchange ideas, to read and interpret cases, to seek legislation where the compensation acts are too narrow, and to foster the teaching of workmen's compensation in law schools, labor unions and wherever there is interest in W.C.

AFL and CIO Backing

Mr. Horovitz also has related that NACCA came into being only after he had obtained the backing of both A. F. of L. and C.I.O. union leaders, who strongly urged such an organization. Mr. Horovitz is editor-in-chief of the NACCA law journal. He has written several books on W.C. insurance and for years was W.C. attorney for the Boston Legal Aid Society and Massachusetts Federation of Labor.

The five tenets upon which NACCA purports to function, according to Mr. Wassell, are these:

Publishing the law journal for educational purposes, to educate its members, the judges, lawyers generally and the public.

Holding national conventions to meet with the men in the country who are doing the same work, to discuss mutual problems and to encourage legislation improving the rights of injured workmen.

Encouraging the organization of branches throughout the country, which are completely self-governed, have their own dues and usually issue a monthly bulletin.

Library on Injured Workers

NACCA is developing one of the largest libraries in the country on the rights of injured workers. It is hoped the library and home office in Boston will be the clearing house for all lawyers trying to help the injured workman.

NACCA encourages the teaching of W.C., railroad, admiralty and personal injury law. It has established lecture-ships throughout the country. More than 40 law schools have applied for them and to date they have been granted to Harvard, Cornell, Minneapolis, Arkansas, Tulane, Louisiana State, and Indiana schools of law.

At the 1951 national convention, the following seven resolutions were unanimously adopted:

Legislation to enable a person to sue an insurer directly in cases where an insurer conducts the defense.

Uniform W.C. laws, providing compensation for life for totally disabled persons.

Legislation to prevent judges from reducing amounts awarded by juries in damage actions.

Legislation to prevent employers from deducting pay of employees while on

jury duty.

Elimination of contributory negligence as a defense to damage suits in state courts.

Legislation to permit the introduction of medical books in evidence in cases where doctors refuse to testify.

Abolition of the so-called blue ribbon system of summoning jury panels in certain federal courts.

OTHER OBJECTIVES

Other legislative programs of the association are to increase the "present starvation benefits" to the point that subsistence levels can be maintained for employees on a decent standard. Widows should receive dependency benefits for life as presently provided in nine states. Medical benefits should be unlimited in time and amounts, as is the case in 31 states.

Weekly payments should be at least two-thirds the weekly wage, with no arbitrary maximums. An employee injured as the result of the negligence of a third party should have a right to accept his full compensation and retain his remedy in tort against the third party.

There should be no unfair requirement of an election between tort and compensation. NACCA favors a remedy in tort against the employer himself, if negligent, with a deduction for the amount of compensation payable. There should be adequate rehabilitation and safety programs run by the state, not by insurers, but paid for by insurers.

Remove workmen's compensation cases from the jurisdiction of federal courts by increasing the jurisdictional amount to \$15,000. Texas Assn. of Claimants' Compensation Attorneys has advocated the plaintiff be permitted to choose his jurisdiction as it is now where the amount in controversy exceeds \$3,000 but not to permit the defendant to remove a case to federal court unless the amount in controversy exceeds \$15,000.

Suggests Several "Remedies"

Mr. Wassell points out that NACCA's hue and cry is to the effect that the insurance business has failed to keep abreast of current economic conditions and that W.C. has failed to keep up with the cost of living. The journal states that W.C. acts have become a legislative headache as well as a snare and a delusion to seriously injured workmen who cannot live on the pittance given them. As a result, several remedies have been proposed by NACCA:

Set the minimum weekly compensation at a subsistence level and then tie it to the cost of living index as was done in the automobile business. Once a year adjust the minimum in accord with the fluctuation in the cost of living.

NACCA and many other groups interested in the welfare of injured workmen suggest that in addition to W.C., the injured employee be allowed to sue his employer, if the employer were negligent. They contend that W.C. originally was intended as additional relief for workman injury cases where the employer could not be held liable in tort.

Abolish Private Insurers

Abolish all private insurers, create exclusive state funds, and by abolishing a profit motive decrease litigation and increase benefits. This solution has the support of some labor unions.

The national C.I.O. convention in 1950 adopted a resolution calling for a national W.C. law. The November

CAL. JURY ACTS

Asks Limit on Auto B. I. Awards

The Placer county (Cal.) grand jury, taking note of one of the principal causes of increased automobile liability insurance rates, has asked local members of both houses of the California legislature to sponsor legislation limiting the dollar awards in judgments on automobile personal injury suits.

The grand jury contends that many judgments award excessive damages and many suits filed for minor damages are for sums "far beyond reason."

This is the second notice by a California jury of the part that excessive awards play in insurance rates. The other action, while improper legally, did cause attention to be drawn to this situation. That was a personal injury suit for \$50,000. The jury debated this matter and the foreman in his report said that the jury found for the plaintiff, but felt that \$5,000 would be ample to cover the loss, and the \$50,000 requested was typical of the unreasonable demands being made these days and was a prime cause for the higher automobile insurance rates.

The judge promptly threw the case out of court, but the newspapers picked up the remarks and prominently displayed them.

issue of the NACCA law journal predicted the federal act would call for a state fund form of insurance rather than private insurance. The journal relates that many experts believe that if the first or second remedy does not soon get the support of the insurance business, W.C. tied with cost of living index, and the right to sue employer, the federal fund will be inevitable. Each year bills for exclusive state funds are multiplying in legislatures.

Another objective of NACCA is to sponsor similar associations, state and local. State associations have been established in Massachusetts, Oklahoma, Texas, Florida, Missouri, Michigan, Oregon, California, Illinois, Ohio and Virginia; are being organized in Hawaii, Kansas, Louisiana, Minnesota, New Hampshire, New York, North Carolina, South Carolina and Washington.

City and state associations are extremely active in spreading the gospel so that legislative and judicial branches of the government are acquainted with their program.

Carrying Propaganda Everywhere

The association is striving to educate the public on the fundamentals of W.C. as well as personal injury litigation, through local newspapers and educational programs with employe groups. Many of the more prominent members of NACCA spend much time on speaking tours, appearing before bar associations in many states and legislative committees, as well as law schools. One objective is to encourage law graduates to enter the plaintiff's field of personal injury litigation and to seek the help of law school professors to espouse NACCA's philosophies.

One basic objective is to insure "more adequate awards." Many of the journal's articles criticize the insurance business and some of them advocate abolition of private insurers as NACCA members feel their clients would fare much better under monopolistic state funds. A couple of the editorials in the journal by Mr. Horovitz were entitled, "The Need for Teaching the Rights of the Injured Workman—Two Million Potential Clients," and "Why England Abolished W.C. or Can it Happen Here?" Another was verdicts or awards exceeding \$50,000. Seminar programs

(CONTINUED ON PAGE 28)

N. Y. Department Keeps Closer Check on Casualty Insurers

Requiring Quarterly Interim Financial Reports Called Valuable Aid

The New York department now is following the practice of requiring casualty companies to submit interim financial reports quarterly. This was instituted in 1951 because of the deterioration in underwriting experience of both stock and mutual casualty insurers. The point is brought out in Superintendent Bohlinger's report to the legislature, which has just been published. With the interim reports, the department can review operations of individual companies more closely and obtain valuable information as to current trends in the casualty business, the report notes.

"It is evident that the relative financial security afforded policyholders has been reduced during the post-war years," the report declares. "This is due to many factors, including the inflation of property values, the high level of industrial activity, and the extension of automobile financial responsibility laws, all of which created a demand for insurance coverages."

Premiums to Surplus Ratio Rises

"Surplus to policyholders increased during the post-war years but not in the same proportion as the premium volume. As a result, the ratio of net premiums written to surplus to policyholders, which for many years had not exceeded 1.3 to 1, has risen sharply to 1.7 to 1. A ratio of 1.7 to 1 is still within the limits which this department has considered over a long period of years as being conservative. However, due to the unprecedented demands for insurance, some individual companies now exceed that limit. The relationship of premium writings to surplus to policyholders has received and will continue to receive the close attention of this department."

Sterling Alexander Leaves Counsel Post of N.A.I.L.

National Assn. of Independent Insurers announces the resignation of Sterling Alexander as general counsel for the association effective July 15. He will continue in the practice of law at Des Moines as head of the firm of Alexander & Merryman. He is a former Iowa commissioner.

F.R. Law Boosts Utah Taxes

In the 12 months ending April 30, 1952, casualty and surety premium taxes in Utah which included those from automobile public liability and property damage, were up \$118,000 over the previous year. This reflects seven months of operation of the Utah responsibility law, which became effective Sept. 1.

This is a significant increase inasmuch as the taxes from other big lines, life and fire insurance, were less than for the previous 12 months. Taxes on life insurance were down \$58,000 and revenues from fire insurance were \$28,000 less.

Hudson County Assn., of Insurance Agents will hold a clam bake Aug. 20 at Lake Iliff, Andover, N.J.

Rehearing Sought in Oklahoma Death Benefit Law Cases

The Oklahoma supreme court which recently upheld constitutionality of Oklahoma's \$13,500 workmen's compensation death benefit law, has been asked to stay the mandate in two cases involved so a rehearing may be granted, with oral arguments.

The high court, in the cases of Capitol Steel & Iron Co. et al. vs. Fuller, et al., and Mid-Continent Petroleum Corp. vs. Mullen, et al., upheld constitutionality of the new law but reversed the two cases with directions to the state industrial commission that the awards must be made only to dependent heirs, in each of these cases to the widow of the fatally injured workman.

The court opinions had reversed the action of the industrial commission, which had made awards dividing the money among heirs at law, regardless of whether they actually were dependent on the workmen.

More Than \$1,500,000 Involved

More than \$1,500,000 and more than 115 cases are involved in the decisions and the petition for rehearing. The petitioners seeking rehearings are contending that the death benefit bill is unconstitutional. The original bill provided that the \$13,500 would be split among the deceased worker's heirs at law rather than the customary dependents. Determination of heirs at law would cause much delay in disposing of cases.

It appears now that there will be further delay in the final determination of the validity of the law.

Object to Interpolation

Petitioners claim the supreme court erred in holding that section 4 of the bill, which provides that the award authorized by the act shall be payable "to the dependents of the deceased employee as defined herein," and sub-section (1) of section 1, which provides that "the term 'dependent' or 'dependents' as used in this act shall mean and include the heirs at law of the deceased, as defined by the descent and distribution statutes of Oklahoma," should be construed by interpolating the word "dependent" between the word "the" and the succeeding words "heirs at law," so as to read "the dependent heirs at law," instead of simply "the heirs at law."

They also take exception to the holding that as so construed the sub-provision signifies those persons, and only those who, if the act had never been passed, would have been entitled to recover damages for the wrongful death of the employee, under the section 1053 of the law that damages recoverable for a wrongful death "must inure to the benefit of the surviving spouse and children, if any, or next of kin," and that, therefore, sub-provisions of the act are synonymous and in complete "harmony" with that section.

Views of the petitioner were outlined in a detailed brief filed with the court.

Legislature Meant What It Said

They contend further that even if the court were warranted in its construction, "the act is still unconstitutional, because, contrary to the court's erroneous assumption, the dependent heirs at law of a deceased employee are not, in almost innumerable instances, the same and identical persons who would have been entitled to recover damages for the wrongful death of such employee. . . .

"We most earnestly believe that the legislature meant just what it said when it said 'the heirs at law,' without any qualification except that they were to be determined according to the statutes of descent and distribution of Oklahoma. Obviously, the legislature wanted to make its authorized award payable in all instances, and not simply in those situations where there were 'dependent heirs at law.'"

This petition for rehearing was filed by R. H. Wills, J. P. Greve, Ben Hatcher and Oscar E. Swan, Jr.

Merchants Indemnity Argus Chart Figures Corrected

The five-year averages of Merchants Indemnity, shown on page 58 of the 1952 edition of the Argus Casualty & Surety Chart, are incorrect. The average for premiums earned should be \$2,660,393, producing a ratio of losses incurred, including adjustment expenses, to premiums earned of 58.4, instead of 68.7. This then results in a combined loss and expense ratio of 93.7 instead of 104.0 as shown. This should be noted because the ratios, as published in the Argus Chart, are higher than for any of the years that are included in the five-year average.

O'Hanlon Reports Opens Two New Offices

O'Hanlon Reports have opened new offices at Columbus, O., and Louisville.

C. R. Parr, formerly assistant manager at Detroit, is manager of the new office at Columbus, 22 East Gay street, serving the southern tier of counties in Ohio, as well as Kenton and Campbell counties in Kentucky.

William T. Eichorn, formerly at Buffalo, is manager of the new office at Louisville, 307 South 6th street, serving Kentucky, except for Kenton and Campbell counties, and the southern section of Indiana.

The two offices bring the total in the O'Hanlon chain to 31.

Annis, Coughlin Advanced

George S. Annis, fidelity and surety manager of American Casualty in New England, has been promoted to resident manager of the New England department. Mr. Annis has been in the casualty business in New England for 23 years. During the war he was with the air force intelligence.

Harold Coughlin has been promoted to manager of the casualty underwriting department and assistant manager at Boston. He has been in insurance for 22 years in the New England territory.

Warns of TV "Insurers"

Commissioner Nelson has warned that certain Minnesota TV service companies are in the insurance business illegally. He asked Attorney General Burnquist for an opinion and the attorney general held that "if the independent contractor enters into an agreement under which he agrees to replace tubes, . . . issuing of this type of contract constitutes engag-

ing in the business of insurance."

The commissioner points out that penalty for either an agent or company selling insurance without a license, could be a fine or jail sentence, or both, for each offense.

U. S. F. & G. Advances Three

William M. Harvey, superintendent of the bank fidelity department and Henry G. Sachse, superintendent of the public official department, have been appointed assistant secretaries of U. S. F. & G. Bernard C. Pohlhaus has been named assistant treasurer.

Mayor Asks Auto Rate Cut

NASHVILLE—Commissioner Allen has not indicated what disposition he may make of the petition mailed him by Mayor West, asking for a reduction in automobile rates in Nashville and Davidson "on the basis of marked improvements in traffic safety in 1951 and 1952." The petition suggests a hearing to determine if a reduction is justified. Rates for the Nashville area were increased Sept. 1, 1951, about 25%.

Opens Office at Fresno

U. S. F. & G. has opened a new service and claim office at Fresno, Cal. The staff there will consist of Harry A. Shere, casualty and surety special agent; Robert Anderson, fire and marine special agent, and John DeVries, adjuster.

Unfriendly to Idea of Deflating P.L. Limits

From J. A. Maronde of Russell, Kan.:

I read an article in the June 19 issue of THE NATIONAL UNDERWRITER by a company executive entitled: "Favors Putting Damper on High Limits," which filled me with surprise and disgust.

While the purpose of liability insurance is to cover the legal liability of the insured, the great public service which liability insurance performs is to pay injured people for losses which they sustain because of someone's negligence and carelessness.

This executive's reasoning would make it necessary for a claimant to pick some wealthy person to cause his injury or death, if he were to be able to have his claim fully paid.

Rather than put a damper on high limits, why not put a proper deductible on this coverage, which if the amount were high enough would certainly cause the insured to drive more carefully. This would make not only the pauper client drive more carefully but would apply equally as well to the wealthy driver.

Compromise Version of Doughton Bill Goes to President

WASHINGTON—After two-days meetings, the joint conference committee on the Doughton social security bill agreed upon a compromise measure, and both houses cleared the conference report for the President.

Major agreements on points that had been in dispute between the two bodies were:

1. Income limitation of \$75 per month beyond which OASI beneficiaries would lose their monthly benefit payments.

2. A modified version of the controversial disability feature of the bill which would place responsibility of proof of disability with state agencies rather than with the federal security agency.

3. Adoption of the McFarland public assistance amendment with modifications, mandatory provisions requiring states to pass on increases to recipients and concerning agricultural workers being deleted. This amendment becomes effective Oct. 1, 1952, but instead of being permanent, expires Sept. 30, 1954.

It has been estimated that about 8 million persons will be benefited under the bill at cost of \$540 million annually. Beneficiaries include 4.5 million under OASI and the balance under public assistance programs. Old-age assistance beneficiaries would receive \$5 per month additional, OASI beneficiaries \$5 monthly or 12½% increase, whichever is greater.

Delayed for a year is the provision respecting disability. State agencies are to work out with FSA plans for examining disabled persons, whose OASI status would be frozen during disability, so that they would not lose retirement benefits meanwhile.

"Face Saver" for Administration

Senate-House differences over the disability provision were resolved in a very unusual manner, the result being regarded as a "joker" by insurance observers.

The total and permanent disability provisions of the bill expire June 30, 1953. However, it is provided that no disability application may be filed until after that date, or not before July 1, 1953. In other words, such applications may not be filed until after the disability provision expires by limitation.

This solution is dubbed a "face saver" for administration people who have been pushing a disability program in various forms. They had been pressing Rep. Doughton, ways and means committee chairman, to hold out for the disability feature of the new bill.

This was Doughton's last bill and Senate conferees yielded on disability to the extent indicated above.

However, it is claimed the provision has no significant meaning in reality. Congress must act affirmatively before anything definite can be done with respect to disability payments under the bill.

The lapse of a year will give federal security agency opportunity to explore with state officials the problem of what methods shall be used by state authorities to determine the disability status of persons whose OASI status would be frozen.

The new bill's provision requiring state determination is a slap at FSA Administrator Ewing and is calculated to please American Medical Assn. and insurance opponents of "socialized medicine," for which it was claimed the original disability provision of the Doughton bill would have opened the door.

During the year FSA can seek extension of the disability provision's time limitation beyond June 30, 1953.

The conference report on the bill indicated the intent of the conferees that congressional committee hearings be held on the disability feature early in

(CONTINUED ON PAGE 22)



"THAT SIGN WORKS BETTER THAN A HORN."

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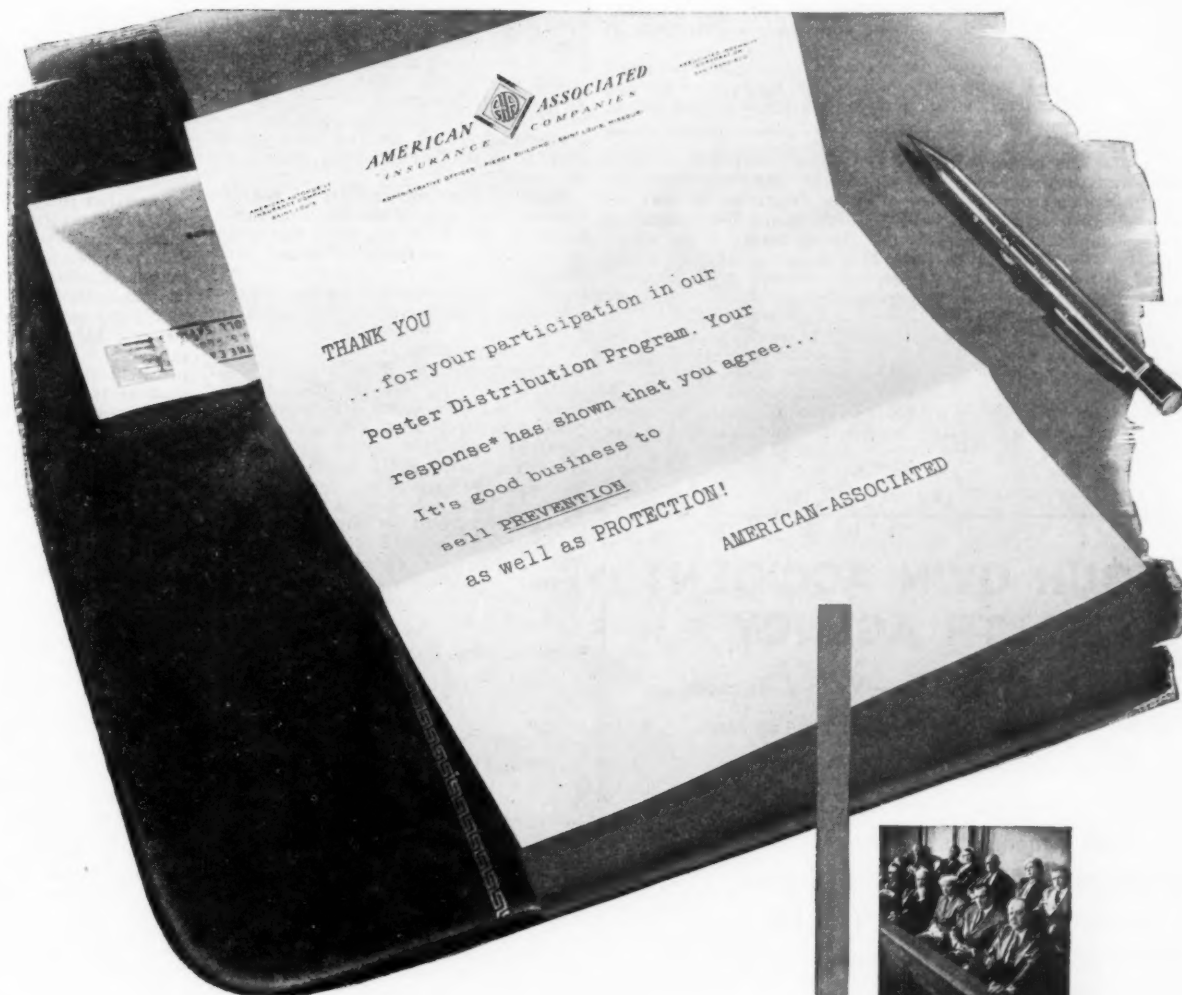
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Your requests for more than 25,000 posters have encouraged us to expand our efforts to prevent tragic accidents and higher insurance rates by promoting Safety and Just Jury Awards.

A new program designed to help you become "Mr. Safety" in your community will be described in future American-Associated messages in this publication. Watch for them!

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D. T. Hawkins Gives Plain Talk on Adjusting Ills

D. T. Hawkins, assistant manager of Mutual Loss Research Bureau of Chicago, gave a forthright criticism of present day adjusters and adjusting practices in addressing the convention of National Assn. of Independent Adjusters at White Sulphur Springs.

Too many adjusters, he said, "have become infected with a creeping paralysis which we attribute to physical and mental laziness. Their laxity in following tried and sound adjustment practices will wreak havoc upon the best laid industry program. More important, upon adjusters as a whole."

Mr. Hawkins said of course the companies are not blameless. Many have encouraged the establishment of dangerous practices by bowing to the unwarranted demands of some selfish and difficult local agents or insured. "Far too many losses are referred because of friendships, entertaining, or presumed business getting reasons without regard for ability. Difficulties resulting therefrom amply demonstrate the shortsightedness of such expedients. All too frequently, do companies condone loss references to adjusters about whom they know nothing upon the premise, 'We'll wait and see what happens and hope it works out satisfactorily.'"

"Fortunately, company executives are

becoming increasingly aware of the loss department and are insisting upon the exercise of more discretion in loss assignments. Furthermore, loss managers are gradually being accorded the status they have long deserved as staff members on an equal footing with sales and underwriting. The problem has many ramifications, and no one segment of the industry can be charged as wholly responsible for its creation nor can it singly accomplish its solution."

All hands, he declared, must work diligently toward correcting many prevalent evils now existing in the independent field.

The N.A.I.A. educational program must constantly be improved and ex-

panded. "The purposes and aims of this association are of the highest order. We commend them to you for periodic review so that your actions will always remain within their scope. Your group has enjoyed a steady and healthy growth. Its influence is being felt with comparable vigor in the adjustment field. However, the admirable work of this association in no way minimizes the responsibilities which fall upon the individual adjuster during his day-to-day activities. If an adjuster's services were consistently meritorious, he would soon stifle inept competition; and the problem would cease to exist. Unfortunately, such is not the case."

Most of the trouble "lies in the fact that we have strayed too far from fundamentals. We have not built our house on the solid foundation of sound, well-seasoned adjustment procedures. We have allowed ourselves to fall victims of the easiest way—the short cut and the cover up."

"Most lamentable of all, adjusters adopting these tactics have the temerity to attempt justification of billing on the basis of a job well done. Companies expect to pay adjusters' service fees commensurate with the work performed. It is not their practice to object to service bills that can be honestly validated. Did you ever hear of a merchant, wholesaler, or manufacturer who does not provide his customer with a detailed invoice? Why is it some adjusters attempt to dodge this established business practice? We think you will agree that the answer is obvious."

Service Charge Explanation

"Occasionally, a loss manager finds it necessary to address an adjuster for a breakdown or an explanation of his service charge. He has a perfect right to do so and is privileged to expect a civil and adequate reply. This is what he receives from the adjuster who knows that his bill was computed upon a justifiable basis. This adjuster does not assume a self-righteous attitude that his honesty is in question. He knows the loss manager is simply seeking information—information that the latter is oft times required to supply to some one else. Billing upon the hypothesis of 'all the traffic will bear' can, as Red Skelton puts it, 'only lead to bloodshed.'"

"In all lines of business it is necessary to plow back a certain portion of the profits for future development if the business is expected to prosper and progress. We are afraid this has not been done to a sufficient degree in the independent field. Too much has been taken out, and too little has been plowed back in the form of extensive training, to attract young men of unusual calibre and to retain those who have demonstrated an aptitude for our vocation. Many adjusters attend no conferences, association meetings, or refresher courses. They do not subscribe to any of the trade journals, buy books or invest in such services as The Fire, Casualty, and Surety Bulletins. If you are unwilling to invest in your future, you are standing still and will soon regress."

"We are appalled that many adjusters do not maintain a set of standard policy forms used in their territories. These require constant study and are needed for daily reference. We have never fathomed how an adjuster can operate successfully without them. Intimate familiarity with the most commonly used forms and endorsements is a fundamental necessity. The well-seasoned adjuster can almost recite them from memory."

"We have accompanied adjusters on sizable losses and have found them carrying only a loss folder or packet and a single blank proof of loss. One can never anticipate when he will need a non-waiver agreement, an appraisal or a salvage agreement, or many other documents common to the adjustment of losses. An intelligently stocked briefcase is a must for any adjuster intent upon doing a thorough job. The lack of a 6-foot rule or a 50-foot tape creates no inclination to get on a hail damaged roof. No flashlight—is a lame excuse for

failing to verify the estimate in a dark inaccessible attic. Don't we often forget an important signed statement simply because we forgot to bring a pad of statement paper? The proper tools are as important to the adjuster during his daily calls as the stethoscope and thermometer are to a physician."

New Generation

"A whole new generation of adjusters has joined our ranks during the past 15 years. Unfortunately, the pressure of the war and the heavy volume of losses since has hampered educational programs and the adequate schooling of young adjusters. In short, their basic training has been sadly neglected. They have been pushed too fast and have been assigned losses beyond their capacities and experience. Naturally, these younger adjusters have been led to the false conclusion that they have acquired more knowledge than they actually possess."

"Simply because a young inexperienced adjuster happens to be employed by an established independent or a larger adjustment organization, it does not follow that he is prima facie qualified to deal with any and all losses to which he might be assigned. Loss managers are not impressed by the name appearing at the top of the letterhead. Their concern is toward the individual who actually handled the assignment. We must not let inexperience and ineptitude hide behind a reputation enjoyed by others."

Fundamentals That Are Disregarded

Mr. Hawkins set out some of the fundamentals that he said "are disregarded with considerable regularity."

1. Has the coverage been definitely verified? Are we dealing with the named insured or his legal representative? Does the loss come within the term of the coverage? Is the hazard one which the contract insures? Is the property that covered by the policy? Have we investigated the origin sufficiently?

Have we properly adjusted the insured before we attempt to adjust the loss?

Has our first interview paved the way for satisfactory negotiations, or have we been perfunctory and callous in our approach?

Have we rendered the policyholder all possible assistance in the preparation of his claim?

Are we making "sidewalk" adjustments, or are we honestly determining value and loss on an undisputable basis?

Do we audit and verify or are we taking too many things for granted?

Are we substituting the telephone for shoe leather?

Are we taking over salvage because it is the easiest way out?

Are we trying to handle too many losses solely for the sake of income?

Are we slipshod and dilatory with our correspondence and reports?

Are we spreading ourselves too thin by attempting to handle assignments in too many categories?

Tammany in Penna.

Special Agent Thomas V. Tammany is now associated with State Agent Charles F. Kappert to represent Phoenix of Hartford in western Pennsylvania. He served in the navy during the last war and is a graduate of University of Connecticut where he majored in the insurance field. His headquarters are at Pittsburgh.

Minn. Committees Cavort

The annual outing of the committees of Minnesota Compensation Rating Bureau and the governing committee of automobile assigned risk plan was held on Gull Lake at Brainerd.

STEWART A. CUSHMAN, manager of the life and A. & H. department of the Bartholomay & Clarkson Agency, Chicago, died while at lunch with a friend at the University Club Monday. His age was 57. He had been the life manager of Bartholomay & Clarkson since 1933 and previously had been with Travelers and the Moore, Case agency of Chicago.

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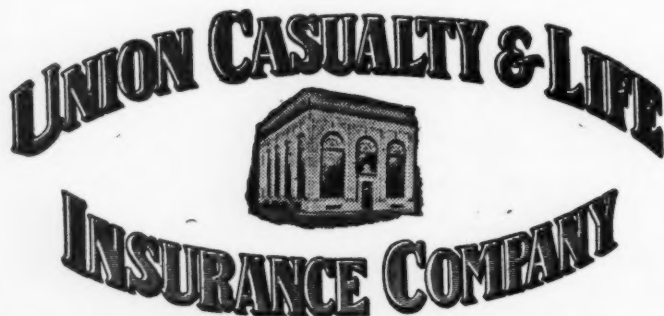
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Glennon Gives Blueprint for Harmony in Zone Examinations

The point of view of the insurance department man was given the subject of harmony in N.A.I.C. zone examinations at the annual conference of Insurance Accounting & Statistical Assn. at Cincinnati by Joseph R. Glennon, chief deputy of the Illinois department.

Noting that he was speaking as an individual rather than representing the Illinois department, Mr. Glennon observed that harmony may be best attained when both examiners and the company understand the problems and aims of the other. The specific problems facing most departments today, and having a direct bearing on company examinations, are budget, personnel and time, he said.

The greatest single factor in a successful examination is the human element, he opined, adding that most regional problems would disappear quickly as an adequate number of competent, well-trained men become available in all states. He pointed to what he termed an apparent complete lack of willingness on the part of the industry to help the departments solve budget problems. He noted that the industry apparently experiences little difficulty securing passage of legislation it endorses, such as rating laws, standard A. & H. policy provisions, etc., and asked why it does not exert the same effort in securing an adequate budget for the home departments. Because of these budgetary problems, commissioners find they are at a great disadvantage in hiring competent staff members, as well as maintaining adequate numbers.

Cites "Ridiculous Situation"

The salary of a commissioner, Mr. Glennon said, is a limiting factor on those paid to other staff members. Therefore, a movement to improve departmental salaries must start with him. In some few cases, he went on, examiners' salaries have been known to exceed those of the commissioner. This is usually necessary to keep top-flight men on the staff, though it is a ridiculous situation which points out the need for a review of the whole problem.

Companies under examination should expect to benefit in two ways, Mr. Glennon commented. Because of their training and experience, examiners should be a valuable source of helpful suggestions and comments; and, in addition, the company secures an examination of the transactions recorded during the period covered.

Voluntary Feature a Weakness

An inherent weakness in the zone plan of examinations is the fact that N.A.I.C. is a voluntary association and each "out-of-state" examiner is responsible directly to his commissioner and zone chairman, Mr. Glennon said. If the company objects to the completed examination report when it has been formally presented, the examinations manual does not provide an adequate means of clearing these objections. Under the present system, a hearing is called by the home state and the commissioners of each of the states represented, and the respective zone chairmen, are invited to attend. If the company and commissioners agree, or if the commissioners agree among themselves, the report is amended wherever necessary. If the commissioners themselves are unable to agree on the merits of the company's objections, no provision has been made for resolving this situation. The only solution is a majority and minority report, and apparently the company has no appeal from this decision.

Mr. Glennon referred to a recent manual change which eliminates one of the points of controversy between the company and the examiners. It provides that after the report has been

completed by examiners and before it is officially signed, it may be submitted to the company's officers for review and comment. The review is limited to a determination that the facts have been accurately set forth and controversial matters or matters of policy cannot be handled at that time.

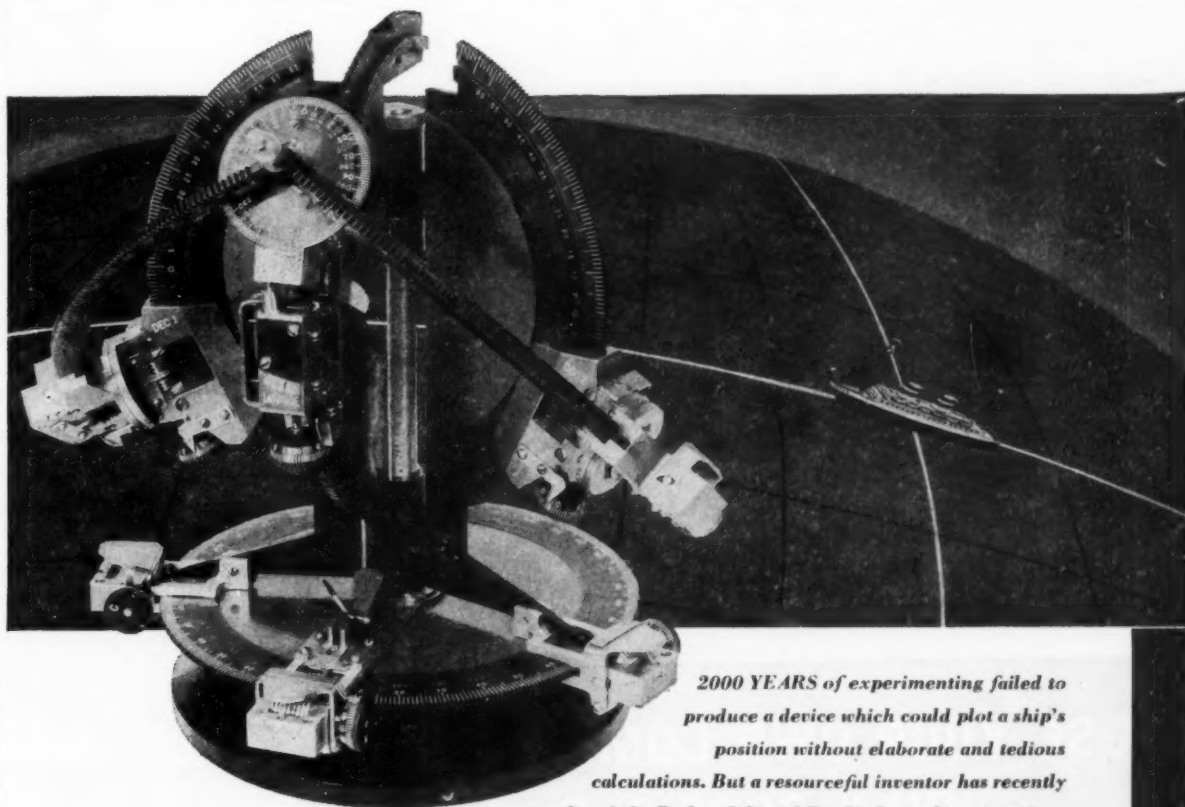
Many improvements have been made

in examination procedures during the last 10 years, Mr. Glennon said. When he started as a field examiner, the speaker said it was common practice to "check solid" many of the company's records and this terminology appeared in many reports. Little or no use, he said, was made of company-prepared lists or analyses. The "check solid" technique has been replaced by sampling, test checking and similar time-saving devices.

That the departments are aware they have a duty to be constantly on the alert for changing examination techniques is indicated by appointment of

the revision of the examiner's manual committee and a proposed study of examination procedure by an outside group, Mr. Glennon remarked. The new committee will afford a means of continuous review of examination procedure, he stated.

Mr. Glennon said that one department is considering sponsoring a study of examination procedures, under the auspices of the state university, with certain public accounting firms possessing experience in insurance invited to participate. Such a study would bring in a trained outsider's viewpoint and would be conducted by men who have the



2000 YEARS of experimenting failed to produce a device which could plot a ship's position without elaborate and tedious calculations. But a resourceful inventor has recently perfected the Zerbe Celestial Fix Finder in his spare time.

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time to devote to it.

The speaker told of another proposal recently submitted to Director Day which contemplates substituting examinations by accredited public accounting firms for examinations by department employees, limiting state examinations to emergencies and special situations. He said Director Day has indicated he is interested in having his staff explore the idea.

He explained that such a procedure would follow the lines being used by S.E.C. When this federal agency was established, it did not employ a large body of examiners, but passed this part of its work on to qualified public accountants, limiting its activity to examining affairs of the registered companies only from that point on. To assure that only qualified men would make these examinations, a National Board would be set up by N.A.I.C. to promulgate regulations and to examine the qualifications of the examiners. A roster of qualified men would be maintained and every insurer would be required to employ a person from this roster to make an examination of the company at least once in three years.

National Standard

A copy of the report would be submitted to all departments in which the company does business.

Such a proposal Mr. Glennon said, would create a uniform minimum national standard of examinations, would make available to all companies qualified personnel to conduct such examinations, and would enable the various departments to live within the limitations of their budgets by employing a small body of experts rather than a large body of semi-trained personnel. The proposal, however, is only in the idea stage, he said. Because of its radical nature, he opined it is probably impractical to look for its adoption on a national basis in the foreseeable future.

Lack of harmony or misunderstandings

in connection with examinations often can be traced back to the question of cost and the company feeling that they take too long, Mr. Glennon observed. Several recent developments have tended to increase the scope, and hence the cost, of examinations. A few of these he mentioned as being multiple line underwriting, rating laws, uniform accounting, expense exhibits, A. & H. policy form exhibits, etc.

Two of these items present special problems, Mr. Glennon said. No definite policy has yet been established on how and when the examinations on rating and uniform accounting will take place. Many feel that they should be done as part of the regular examination, but by specially trained examiners, and others feel that they should be done separately. The speaker said that he favors having it done at the time of the regular examination, otherwise the company might feel it will never be free of examiners.

Mr. Glennon said that it is his opinion, and one in which Director Day concurs, that effective supervision of the compliance with rating laws and uniform accounting regulations must necessarily involve examinations of these two phases of operations. "If we are to have realistic examinations of rating or statistical organizations," he said, "examiners must review the company's procedures and practices used in preparing information forwarded to these organizations."

Attitude of the company's management towards the examination and the examiners must also be considered, Mr. Glennon said. A friendly, cooperative attitude would help insure a better and more efficient examination. Examination of a large company is long and costly even under the most favorable circumstances. Therefore, he said, it seems that good business judgment would dictate that the company do everything possible to facilitate the examiners' work.

Manufacturers & Merchants Indemnity Names Six

Directors of Manufacturers & Merchants Indemnity have elected six new officers in addition to Henry Ernst, Jr.,

Henry Ernst, Jr., the new executive vice-president of Manufacturers & Merchants Indemnity whose appointment was announced last week.



whose election as executive vice-president and director was announced last week.

Richard E. Riebel, assistant treasurer, and Howard B. Clark, assistant secretary, have been elected vice-presidents, and Mr. Clark was appointed counsel. George C. Clarke has been promoted from assistant secretary to secretary. Thomas L. Pogue becomes assistant secretary. Russell C. Schreck was elected as assistant secretary and was appointed production manager. David J. Maundrell was elected assistant treasurer.

Appoints Chapman

Cream City Mutual of Milwaukee has appointed Joseph H. Chapman of Belvidere as state agent for Illinois.

Mr. Chapman has had a wide experience in fire insurance in Illinois, having served with Illinois Inspection Bureau, America Fore and Iowa Mutual. He was also assistant manager of Mutual Reinsurance Bureau of Belvidere, and has had extensive experience in the local agency business.

Albert H. Brunet, manager of the bonding department at Los Angeles of Maryland Casualty, is the father of a baby daughter, who arrived on Mr. Brunet's birthday, July 5.

Use Face Saving Feature in SS Disability Issue

(CONTINUED FROM PAGE 18)

1953, as well as on problems presented by proposed incorporation under OASI of state and local government employees who have their own retirement plans.

These hearings will enable committees to obtain from interested groups, views as to the methods of obtaining evidence on disability, under what circumstances and by whom determination should be made. Congress can then decide whether the disability provisions of the bill should be enacted into permanent law.

The Senate finance committee's authority to have a fundamental study of OASI made continues since Congress' adjournment. It authorized \$25,000 to look into suggestions of M. Albert Linton, president Provident Mutual Life, and others that a basic change in the system may be made to advantage, putting it on a pay-as-you-go basis.

The committee has not yet taken up this job, owing to the multiplicity of legislation it has had to handle during the last year or two—social security, veterans insurance, taxation, etc. But, it is stated that it has not been abandoned, although there will probably be more delay, owing to departure for his Georgia home of Chairman George.

Lafrentz Wyo. Speaker

A. F. Lafrentz, president of American Surety, has been signed up to address the convention of Wyoming Assn. of Insurance Agents at Casper Country Club Aug. 24-26. Mr. Lafrentz is a native of Wyoming.

Another speaker will be D. W. Swanson, agency superintendent of St. Paul F. & M. Commissioner Taft will be heard from.

Continental Casualty D. C. Case Is Resolved

WASHINGTON — Superintendent Jordan has fined Continental Casualty \$600 on finding it guilty of issuing a policy without having it countersigned in writing, with provisions contrary to pertinent filings the company had made, and with provisions not filed at all. This was an auto liability risk for National Trucking Co.

Jordan's decision was contained in letters to company attorneys, John A. Henry, general counsel, and C. H. Hardesty, Jr.

Mr. Jordan said the policy was issued by persons other than company executive officers and that they caused it to be endorsed retroactively to conform to law.

Violations have been due to carelessness of company officers, Mr. Jordan stated, but the company president and other executives expressed regret and the company has established procedures to assure compliance with the law, which were undertaken promptly. No evidence was found of violations after Nov. 13, 1950.

Safeguards Are Taken

Transfer of certain authority from the New York to the Chicago office, Mr. Jordan indicated, assures that the safeguards established should, with proper supervision, prevent further violations.

It is "fair and reasonable," Jordan concluded, to afford the officers opportunity to see that the law is complied with in the future.

He stated the company "has committed very serious violations of law which cannot be ignored and which would fully justify" revocation of its license if the officers were "personally involved" or "indifferent." He suggested that if the company's attitude were "defiant," or if it appeared probable that it would not or could not conduct itself properly in the future, other action might be indicated.

Putnam Fund Adds to Its Insurance Stock Holdings

George Putnam Fund of Boston announces it has purchased more than \$2,400,000 of insurance stock since Jan. 1. "Over a period," George Putnam, the chairman, said, "the common stocks of leading insurance companies have been highly satisfactory investments from the standpoint of providing the investor with a growing dividend income plus an interesting increase in market value. Even during the past several years of relatively unsatisfactory underwriting results, the companies have continued to build up the per share liquidating values and increase their income from investments. With some halting of inflationary trends, at least for the present, and more remunerative rates in certain lines, we look for an improved trend in the industry's underwriting results. Under these conditions, the trustees considered that insurance stocks represented an attractive addition at this time to the Putnam Fund's common stock investments."

The Putnam Fund's recent purchases included 2,700 shares Aetna Life; 4,500 shares Continental Casualty; 10,500 shares Firemen's; 8,000 shares General Reinsurance; 3,500 Hartford Fire; 8,000 Home and 5,000 U. S. F. & G.

Edward J. Stoddard, the president of the newly organized Foremost Ins. Co. of Grand Rapids, Mich. Mr. Stoddard recently resigned as vice-president and general manager of Manufacturers & Merchants Indemnity to organize Insurance Management Co. at Cincinnati.



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Travelers

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CHANGES IN CASUALTY FIELD

SURETY

Five Promotions Made by Kemper Companies

Five promotions in the executive roster of the Kemper group have been announced.

K. C. Berry and R. B. Walker were elected third vice-presidents of Lumbermen Mutual Casualty and American Motorists. Mr. Berry, home office miscellaneous claim manager, has been with the organization since 1929, starting in the home office claim department. Mr. Walker continues as home office audit department manager. He joined the organization in 1933 as an auditor at Philadelphia, later serving in a similar capacity at New York.

R. L. Smith was elected assistant secretary of Lumbermen and American Motorists, and is transferring to New York office as assistant to W. H. Heineke, resident vice-president and New York manager. He joined the home office compensation underwriting staff in 1941.

L. J. Flora was elected resident secretary of Lumbermen at Toronto and will be assistant manager of the Canadian department. He joined Lumbermen in 1929 at the home office, and has been at Toronto for two years. He is a C.P.C.U.

Brook Davis, underwriting manager at Los Angeles, was elected resident secretary of Lumbermen and American Motorists. He joined the Kemper group as an underwriter at Los Angeles in 1944.

Travelers Supervisor Shifts

Philip A. Wilde, Jr., field supervisor at the Hartford branch of Travelers, has been appointed in the same capacity at Bridgeport. Six new field supervisors have been appointed: Frederick M. Rutledge at San Francisco; H. Leigh Bush,

Jr.; Louisville; J. G. Griffin and Wallace E. Hughes, unassigned.

William C. Rhyne has been appointed fidelity and surety field supervisor at Charlotte, N.C., and John Hendrix, Jr., at Atlanta.

Riddell Now Omaha Head of National Surety

Fred Liles has resigned as Omaha manager of National Surety and Forrest Riddell takes over. He is a C.P.C.U., has been associate manager at Omaha and has been at that office seven years.

Texas Cas. Promotes Two

Texas Casualty of Austin has named R. E. Moore, special agent, as assistant vice-president in charge of fire underwriting. Roy B. Harlan, office manager, has been appointed assistant secretary.

Moorehouse Takes New Post

John B. Moorehouse has been appointed as special agent in western Washington for Western Pacific. He has been manager at Seattle for Massachusetts Bonding.

Roy Fischer, formerly with Automobile Club of Washington and previously with D. K. MacDonald & Co., has joined the casualty department of Gould & Gould at Seattle as an underwriter.

Robert S. Lapham, a member of the executive committee of Michigan Assn. of Insurance Agents, has been named on a new traffic commission at Dearborn. He is secretary of the Dearborn association and is a past president of the Wayne County association.

Contractor Wins Appeal on AEC Contract Termination

LOS ANGELES.—McNeil Contracting Co., Los Angeles, has won its appeal against the Atomic Energy Commission termination of its contract for facilities in Nevada last September for failure to complete the work within specified time limit.

M. W. Boyer, general manager of AEC, has sustained a ruling handed down by its contract dispute panel that the McNeil firm is entitled to compensation for the work performed on the AEC test installation up to Sept. 28, 1951, and that its "right to proceed was unjustly terminated by the government as of that date." The panel also ruled that McNeil and his surety are not liable for any excess costs incurred by the government when the job was turned over to Haddock Engineers, Ltd., on a cost plus basis.

McNeil contended that he was unable to complete the job within the time limit fixed by the government because his labor was pirated by a rival firm paying exorbitant overtime wages. McNeil contended that had he paid the same wage rates he would have gone bankrupt under his fixed fee contract. While no final figures were mentioned in the ruling, the matter has been remanded to the Santa Fe office of AEC for settlement of claims and it is estimated the total to be paid McNeil may approximate \$190,000.

Combine N. H. Bond Buying

The Ayer agency of Plymouth, N. H., has been awarded a contract for handling bonds of all state officials and employees for the next five years. Its name was drawn by lot, as 15 agencies had submitted identical bids.

These bonds were secured individually before but are now being purchased under a single contract under Governor Adams' state reorganization program.

Ft. Ord Contract Awarded

Del E. Webb Construction Co., Phoenix, Ariz., has been awarded the contract for construction of permanent troop spaces and facilities at Ft. Ord, Cal., at \$2,094,783. Maryland Casualty executed the bond for the contractor.

ACCIDENT

Roughton New President of Richmond A. & H. Assn.

Peter R. W. Roughton, North American Assurance, has been elected president of Richmond (Va.) Assn. of A. & H. Underwriters. Nathan Metzger, Union Mutual Life, is vice-president; W. Lee Meehan, American Health, secretary, and Vernon A. Ford, Inter-Ocean, treasurer.

Advance Zurich Group Men

The Zurich group department has advanced R. A. Woodall, former group representative at Buffalo, to district group representative there. He joined Zurich at New York in 1949 and was later transferred to Buffalo.

R. E. Mitchell, Buffalo group claims examiner, will join the group sales promotion department as assistant supervisor. He has had three years of claims experience.

Seek Blue Cross Va. Hike

RICHMOND — An increase of about one-third in rates for Blue Cross contracts has been asked by Virginia Hospital Service Assn. The new rates would raise the charges for individual

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contracts from \$1.30 to \$1.80 a month; husband and wife, \$2.60 to \$3.60, and family contracts \$3.20 to \$4.20. The commission set a hearing on the petition for July 31.

The petition does not affect contracts for medical-surgical care, which are administered by Virginia Medical Service Assn.

Conference Sets Group Dates

The annual group meeting of H. & A. Underwriters Conference will be at the Drake Hotel, Chicago, Feb. 2-4, 1953. The group committee will meet the latter part of the summer to set up the program.

The underwriting forum, sponsored by the conference underwriting committee, will be at the Netherland Plaza Hotel, Cincinnati, Sept. 23-24, 1952.

COMPENSATION

Wis. Bar Assn. Favors Move To Localize W. C. Appeals

The house of governors of Wisconsin State Bar Assn. has gone on record in favor of localizing the hearings of appeals in workmen's compensation cases. Under present law, all such appeals must be heard in Dane county circuit court at Madison.

The attorneys want the appeals to be taken to the circuit and county court where the appellant resides or to Dane county. It was argued that an employee should not be compelled to try his appeal outside of his own county, and that an appellant employer should have the same option.

All Heirs to Share Benefits

MADISON, WIS.—In the first case of its kind in Wisconsin, Judge Reis of Dane county circuit court has ruled that the heirs of a person covered by workmen's compensation are entitled to the benefits regardless of whether they are close relatives or dependents of the insured workman.

The case involved the death of Clarence Holtorf, an employee of John Hennes Trucking Co., Milwaukee. The Wisconsin industrial commission awarded \$9,300 death benefit to Holtorf's widow, but she died eight days after her husband was killed. Fireman's Fund Indemnity, the insurer, sought a ruling inasmuch as there were no children and no survivors who were dependent upon Holtorf for support.

Judge Reis ruled that the award should be paid to Holtorf's estate and

divided among the heirs, regardless of their status as dependents.

Labor Asks Amendments

The Oklahoma Federation of Labor has released its legislative program. Several of the recommendations have to do with workmen's compensation insurance. The labor group has asked the legislature for full coverage of all workers in hazardous industry under the compensation law and the right of a small contractor or business manager to be covered upon his choice. It will also ask the legislature to amend the compensation law to provide for complete coverage of occupational diseases.

Other proposed amendments would provide that the worker should have the right to choose a doctor of his own choice, that weekly benefits be increased to not less than \$30 per week, and for equal representation of labor and management on the state industrial commission.

COMPANIES

Observe 16th Anniversary

The 16th anniversary of the founding of Guarantee of Los Angeles was celebrated with a reception tendered to President J. R. Deering by the home office staff of 200, as a surprise to Mr. Deering.

President Deering before organizing the company was for eight years manager of the compensation department of National Automobile & Casualty.

Dividend Rate Upped

Employers Group Associates has declared a quarterly dividend of 45 cents a share payable July 31 to stock of record July 17. The scale recently has been 30 cents quarterly with a 30-cent extra dividend in January, making a total of \$1.50. President Edward A. Larner states that in view of the increased dividend rate it is not contemplated that any extra will be paid next January. That means that the stock is now on a regular basis of \$1.80 a share.

Ralph E. Clarenbach, who operates the agency at Sheboygan, Wis., started by his father, was honored by Palatine at a testimonial dinner and presented a 50-year certificate. E. S. Willman, state agent; D. R. Leseth, special agent, Milwaukee, and Frank Goldthorp, Phoenix, Ariz., retired Wisconsin field man, represented the company.

Snapped at luncheon during N.A.I.C. convention at Chicago: J. B. Rehm, Tennessee department deputy; Roy L. Davis, western representative Assn. of Casualty & Surety Companies, and G. O. Imm, St. Paul Hospital & Casualty.



Social Legislation Planks Presented to Both Parties

WASHINGTON—Laurence F. Lee, president of Peninsular Life and Occidental Life of North Carolina, who is president of U.S. Chamber of Commerce, prepared for presentation to both national conventions of the principal political parties planks proposed for insertion in their platforms. These include the following declaration on social legislation:

"Social Legislation: The search for personal and family security provides the strongest incentive to individual effort, ingenuity and thrift. The productive power of the free enterprise system provides the greatest guarantee of individual security, and it will continue to do so unless the people are falsely led to believe that the objective can be wholly obtained by government programs. When government action is clearly necessary, local and state governments should assume primary responsibility for providing it. Federal social legislation should provide only a minimum layer of protection against the economic hazards with which it deals and should be designed to encourage individual self-reliance."

Other proposed declarations cover tax reduction, government economy and efficiency, federal-state fiscal policies, labor-management relations, abolition of wage-price-rent controls, independence of the federal reserve system, etc.

Cincinnati Golf Meet July 15

Insurance Golf Club of Cincinnati, sponsored by Cincinnati Fire Underwriters Assn. and field men in the city, will hold its next outing July 15 at Losantville Country Club. Frederick Rauh is chairman of the day.

J. M. Barkdull of Barkdull & Guckenberger and W. A. Murphy of American States tied for first place in the last outing at Hyde Park Country Club. Second place was a three-way tie be-

tween Harry Gayer, Thomas E. Wood agency; Harry Mack, Neare, Gibbs & Co., and Donald Streit, Walter P. Dolle & Co.

M. & M. Wisconsin Change

The assets of the Superior office of Marsh & McLennan, Inc., of Wisconsin, have been taken over by Lawrence F. Ryan, who has operated the Ryan local agency there since 1947. Mr. Ryan, a veteran of both world wars, will consolidate the agencies at the Marsh & McLennan location. William Bolton, who operated the Marsh & McLennan agency for the last five years as an affiliate of the Minneapolis office of the parent firm, has not disclosed his future plans.

William T. Jones, Jr., a partner in the W. H. Markham & Co. agency, St. Louis has been elected secretary of St. Louis Pay Truck Co.

Eugene A. Gittinger, who is associated with his father, Frank C. Gittinger, in his agency at San Antonio, was married there to Miss Emily Lane.

Kenosha (Wis.) Assn. of Insurance Women has installed these new officers: Miss Ruth Funk, president; Mrs. Vincent Gonnering, vice-president; Miss Anna Langan, secretary, and Miss Alice Lansdowne, treasurer. Installing officer was Miss Virginia Larsen, president of the Racine club.

Two Promoted

John D. Sheehan and Fred L. Weindorf have just been elected assistant secretaries of General Fire & Casualty of New York. Both are experienced underwriters.

Mr. Sheehan has spent 25 years in insurance, most of it in automobile



F. L. Weindorf



J. D. Sheehan

casualty. He was eight years with Bankers Indemnity after eight years with Hartford Accident in New York and he went with General F. & C. For three years, at the beginning of his career, he was in the brokerage field.

Mr. Weindorf began his experience with Hartford Accident in New York in 1926 and was with that organization four years. Transferring to Fireman's Fund Indemnity, he did both underwriting in New York and field work in New Jersey for eight years. He then went with Zurich five years, doing underwriting and field work in New York, western Pennsylvania and West Virginia. For a time he was manager at Philadelphia for General of Seattle, fire and casualty, and traveled eastern Pennsylvania and Maryland. Two years ago, after some agency experience in New Jersey, he joined General F. & C. where he has done underwriting and administrative work.

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Underwriting, Accounting Problems of Multilines

NEW YORK—The effect of multiple lines upon accounting and underwriting were discussed by George W. Tisdale, secretary of Commercial Union, at a recent luncheon meeting of Casualty and Surety Accountants' Assn. The change over to multiple lines in one company can be accomplished much easier if there is first a change in the mental attitude of all in the business, he said.

Standardization in accounting principles must be an ultimate goal in the race, for through this medium only can the over-all cost factor be reduced. The commissioners have recognized this in their effort to standardize accounting procedure, especially in the operation of regulation 30.

Evolution Needs to Be Gradual

The multiple line approach has opponents and proponents. Unfortunately, many say it can be done without giving thought to the processes by which it must be accomplished. There are many things to consider in the gradual evolution of multiple lines. He hopes it will be a gradual evolution, for the good of the business.

His own experience with a group of fire and casualty companies has shown at first hand the operations which may plague the single line company. He sees no reason why the business cannot eventually make multiple lines an accomplished fact. While the problem is complicated by such factors as underwriting and statistics, these present no material obstacle to the ultimate solution. No matter what the obstacle, there is always a way around it.

The problem does not stem from agencies because they have been selling multiple line insurance for years with no apparent difficulty. As to accounting, there are some snags, but these are not insurmountable.

Fire vs. Casualty

Most fire companies operate on an account current basis. Casualty companies operate on an item basis. He said he liked many things about the item approach but there are points in favor of the account current. When one pays his bill to a department store, he doesn't pay for the individual items but either a part or all of the bill rendered without regard to items. One buys fire insurance on his house and residence boiler insurance and theft from one agency. Where is the difference? Isn't it still one total amount owed to the agency?

Many feel that their company situation is different and that their company couldn't operate like that. But isn't the difference mainly one of internal adjustment? Certainly it is no concern of insured how the business conducts its internal affairs.

Can Simplify Routines

He thinks that careful scrutiny would result in simplification of office routines. Many companies have mechanized their systems and have found part of the answer in that way. Others have reexamined systems in use many years and streamlined their operations with consequent reduction in cost and personnel.

Why do some companies punch directly from the daily report and others abstract their data? A close look at a number of small progressive company operations is a revelation. There are existing systems which use the punch card from which the many required records are run. With the multiplicity of details in the business today, it is forced to give some attention to speed up methods.

Some say that underwriting is the real stumbling block. Years ago, he said, he would have agreed, knowing that each side of the house had its own methods and trade secrets in underwriting. Today this is not so. Much has been done to educate men to all lines of insur-

ance. He does some teaching in the school of insurance and finds that a major difficulty is an understanding of the policies and basic principles which guide the underwriters in acceptance of lines. This difficulty, however, is soon dispelled by knowledge.

Coalition Is Possible

A coalition is not impossible. Once one has learned the important factors which guide each underwriter, he has no real difficulty. There is an exception, which is in lines like boiler and machinery, where a technical knowledge is necessary for larger risks. But even on the fire side, there are experts on business interruption and public utilities.

Fire companies are writing a fire policy with extended coverage, vandalism, additional E.C., theft and glass endorsements. They are not only writing these covers but underwriting them as well. There are skeptics who say that the fire companies will soon find out the score. Perhaps so, but Mr. Tisdale has

no fear that they will adjust to the situation.

He thinks that companies will find a way to overcome the obstacles and give insured what he wants, one policy with optional all-line insurance coverages. With multiple line powers there is no obstacle except the will to provide for these covers internally. That is a company problem and companies must face it squarely. It can be done.

Coding a Key Difficulty

There is a major difficulty in standard coding to integrate all lines of insurance so that reports can be rendered to the insurance departments with little trouble. This can best be faced by fire and casualty bureaus governing such requirements and the sooner the better, before the coding situation becomes snarled and costly to unravel.

Education will help. The class he is teaching on fire principles for casualty people consists of about 20 students whereas there are two sections of 30 each for fire people learning casualty. This is significant, for the fire man is looking for additional income to augment his low fire rate and finds a ready market in extensions of the fire policy permitted under multiple line writing powers. Competition also is a factor.

Auto Rate Hike Protests Flood New York Department

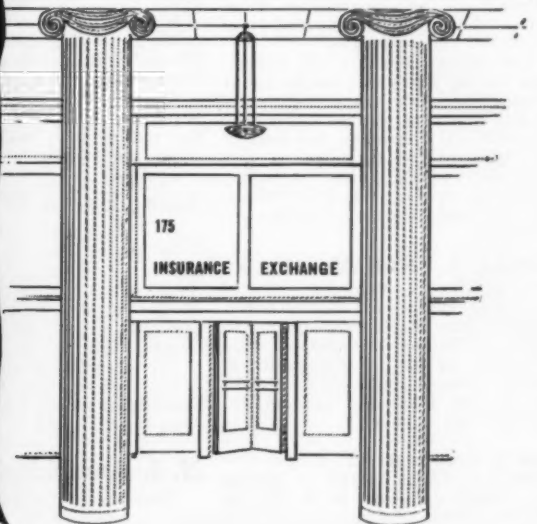
NEW YORK—The New York department continues to receive a steady flow of protests against what has been publicized as a 30% increase in automobile casualty rates. A total of several hundred communications of various kinds has come in since the New York Times publicized the coming rate increase a few weeks ago. Some of the protests now originate with community organizations.

A number of penny postals have been received which have been mimeographed with an identical message, addressed to Mr. Bottlinger, though obviously meant for superintendent Bohlinger.

The projected rate increases are still in the discussion stage between companies and departments. It looks now as if whatever increases are authorized could not be made effective for several weeks, possibly not before Sept. 1, or later.

James E. Glasco, head of the Glasco-Allen agency, became 2nd vice-president of the Wichita Downtown Lions Club. The retiring president was Harold A. Jones, manager of the insurance department of the Noble agency.

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DAVID WHITE NAMED**J. E. Jackson, Home Veteran, Retires from Minn. Post**

John E. Jackson, resident secretary of Home at Minneapolis, will retire Aug. 1, and will be succeeded by David White.

Mr. Jackson joined Franklin Fire in 1904 and in 1914 was transferred to Wisconsin as a special agent. In 1915 when Franklin was acquired by Home, he was transferred to Minneapolis as special agent. He was made state agent in 1930, and manager in 1947. In 1951 he became resident secretary.

Mr. White joined National Liberty in 1929. He served in various capacities at the head office until 1936 when he went to Minneapolis as special agent of home. In 1947 he was made state agent for Minnesota.

Branscombe Is Elevated

J. Stuart Branscombe has been elected assistant secretary of Aetna Fire. He has represented the fire companies as state agent in Maine since 1946, when he joined the group. From 1928 to 1937 he was in the home office of National Fire. He served two years as special agent in New England for National Union. For seven years prior to joining Aetna, he was state agent in Maine, New Hampshire and Vermont for New York Underwriters.

New Houston Adjusters

Elmo Corbell and Philip C. Bradley have opened Corbell & Bradley, independent adjusting firm, at 5405 La-Branch street, Houston, Tex.

Mr. Corbell has local agency experience and for five years was special agent and adjuster and five years fire underwriter, and five years a loss supervisor and adjuster. Mr. Bradley has been a casualty adjuster for three years, and 3½ years fire and allied lines, including experience on drilling rig adjustments, and for one year he was a combination adjuster.

THOMAS J. INGRAM, SR., 84, founder of the Lynchburg general agency of T. J. Ingram & Co., died there. Mr. Ingram, who started his agency in 1896, was a director of Equitable Fire of S. C., one of the six companies in the general agency. Since his retirement in 1945, his son, Thomas J. Ingram, Jr., has managed the agency.

Edwin T. Piotrowski has returned to the Charles L. Platts agency of Detroit after 15 months of service in the marine air wing in Korea. He was awarded the distinguished flying cross and three air medals.

Herd Continues As Board Steering Chairman

J. Victor Herd, executive vice-president of America Fore, was reelected chairman of the executive committee of National Board at the organization meeting. Percy Chubb, II, president of Federal, was elected a member of the executive committee to fill the vacancy created by the fact that W. A. Rattelman, president of National Union Fire, was appointed chairman of the public relations committee.

112 at Mass. School

There were 112 present at the three-day summer insurance school of Massachusetts Assn. of Insurance Agents at University of Massachusetts at Amherst. The moderators were Arthur H. Clarke, Springfield F.&M.; William N. Woodland, Standard of Boston; Harold V. Johnson, U.S.F.&G., Springfield, Mass.; P. C. Charnock, New England Fire Insurance Rating Assn.; R. J. Layton and Walter N. Collins, Rough Notes Co.; Charles G. Bulkeley, F. Gilmore Buzzell, Robert S. Kenyon and John L. Wallace, all of Western Massachusetts Field Club; Louis Kortum, American Surety; W. L. Collens, National of Hartford.

Marine War Risk Plan Ready

WASHINGTON—Maritime Administration this week sent approved instructions for operating the marine war risk program to American War Risk Agency, under terms of a contract entered into. This agency is composed of a group of domestic marine insurers only, as distinguished from American Marine Hull Syndicate, which also includes foreign marine interests.

When the new agency is prepared, Maritime will be "ready to shoot" on the marine war risk program by issuing binders.

Assn. Hears W. P. Sizemore

W. P. Sizemore, casualty manager for Travelers at Seattle, spoke at a meeting of Snohomish County (Wash.) Assn. of Insurance Agents. He talked on the adverse turn of the auto B. I. and P.D.L. line and said that an additional rate increase is necessary.

The association currently is running a series of newspaper ads featuring the bank-agent automobile insurance finance plan.

N. J. Associations Elect

Three New Jersey associations have elected new officers as follows: Mercer County Assn. of Insurance Agents: President, William Krantz;

vice-president, Milton H. Grannatt, Jr.; secretary, Lewis G. Felcone; treasurer, Karl Weidel, III.

Burlington County Assn. of Insurance Agents: President, Philip S. Irons, III; vice-president, Joseph Yearly; secretary, Elizabeth L. Tait.

Bergen County Assn. of Insurance Agents: President, Marvin Kraft; first vice-president, Robert Darrell; second vice-president, James Bacco; secretary, Edward Kinchley, Jr.

Deplores Checks on Placing of Handicapped Workers

America needs the productive abilities of medically and physically handicapped workers and it would be a national loss if unjustifiable workmen's compensation awards to some of them become so numerous as to operate against their employment as a class. Vice-president B. E. Kuechle of Employers Mutuals of Wausau claim department said at the clinical conference of Assn. for Physical & Mental Rehabilitation at Milwaukee.

He traced dangers of a setback in the placing of medically handicapped workers to exaggerated testimony in support of complaints for non-industrial disability and for old-age incapacity unrelated to any work-connected injury which the workmen's compensation law is intended to cover. Such cases may make employers reluctant to hire them and all handicapped people will be adversely affected, he said.

"So-called second injury funds were designed to offset the shock of losses in cases where employees are already partly disabled. But it must be remembered that such funds are applied almost without exception to visible handicaps," he added, referring to provisions in some states for spreading the cost of injuries made more serious than usual by the fact the employee already had lost one eye or one arm or was otherwise partly disabled.

Turns Down Request for World L. & A. Receivership

RICHMOND, IND. — A state request for a receiver for World Life & Accident has been turned down by Circuit Judge G. H. Hoelscher. Commissioner Viehmann had petitioned for the receivership on complaints from Purdue University students and teachers, who were not getting full benefits on hospitalization policies. They also protested assessments on premiums. Company attorneys claimed an 1897 law authorized the assessments.

Salt Lake Agents Elect

C. R. Bennion, Decker-Bennion agency, has been elected president of Salt Lake Assn. of Insurance Agents. He will take office Sept. 1.

Ray G. Brandley, Curtis & Brandley agency, was elected vice-president, and Marv G. Nell elected secretary. The outgoing president is George R. McClure, Keyser Realty & Insurance Co.

Hold Agent-Field Tourney

Avery Peyton of Peyton Investment Co., shooting a gross 70, won first honors in the agents-field men's golf tournament at Spokane, Wash. Jack Sumner, Cravens, Dargan & Co., won second prize with a 74.

Seventy agents and field men, including 50 participants in the golf tournament, attended the party which followed the matches.

Edward A. Brazil of the Munsey & Brazil agency at Laconia N. H., has been appointed treasurer of Charles F. Stafford's campaign for the Republican nomination for governor of that state.

Bertha Menze, General Adjustment Bureau, has been elected president of Insurance Women of Salt Lake City. Merlyn Dunford, Utah Fire Rating Bureau, is vice-president; Lois Green, Providence Washington, and Gloria Ray, Utah Agency, secretaries; Dora Rushford, Home, treasurer.

BANKERS L. & C. CASES**Georgia Appeals Court Upholds Two Indictments**

The Georgia court of appeals upheld indictment of two Bankers Life & Casualty officials on the grounds that they bribed a state insurance department employee. C. F. Brunsighan, vice-president, and James A. Ross, Atlanta general agent of the company, had previously failed to get the indictment dismissed in Fulton superior court.

The Bankers L. & C. men are charged in the indictment with bribing Jenny Falks Salomon, clerk in the Georgia department. The indictment charges they paid her \$500 and promised her a lifetime job with the company at a salary of \$325 per month for copies of letters Commissioner Cravey wrote to other insurance commissioners and for a transcript of N.A.I.C. meetings.

Judge Carlisle said the indictments properly charged an offense under a code section which provides imprisonment from two to 10 years for withdrawing any record belonging to any public office.

Bankers L. & C. was in a legal action in Illinois also last week, bringing suit against Director Day of Illinois in the superior court of Cook county. Director Day had held that single premium life policies issued by the company on the lives of 2,345 employees were improper in premium and interest rate charged on loans on the policies. Bankers L. & C. had paid the premiums. Mr. Day enjoined the company from including the figures on policy loans, premium income and interest in the 1951 statement on these contracts which were issued last November.

Bankers L. & C. sought to have the court nullify Mr. Day's directives.

From Tucson, Not Phoenix

Arizona Trust Co., a letter from whose vice-president was printed in the June 19 edition, is located at Tucson, not Phoenix, as was erroneously stated in the paper. The letter was from R. X. Martin.

Utah Surplus Line Assn. Meets

Surplus Line Assn. of Utah held its mid-year meeting at Salt Lake City. Chairman Salisbury reported 1,513 individual submissions were handled by the associated for the six months ending May 31. They developed a premium volume of \$363,796.

Twenty-four types of coverages were written through the London Lloyd's market. Excess lines was the largest premium producer. Personal accident, long haul and public liability were the next largest coverages.

Elwell C. Case of McGraw, Kittinger & Case, Seattle, is filing for the house of the Washington legislature as a Republican. He is a past president of King County Insurance Assn.

Thomas L. Wrenn, former local agent, has joined the Trotter, Boyd & Keese agency at Chattanooga, specializing in group A. & H., surgical and medical coverages.



Allstate's newly-opened office building in Skokie, Ill., which serves as headquarters for the company's midwest zone and Chicago regional offices. The building is located at 7401 Skokie Blvd.

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Bockius Independent Adjusters' Head

(CONTINUED FROM PAGE 1)

accidents and to assume that private insurance either cannot or is unwilling to cope with the situation. The state fund idea of compensation is being suggested more and more. It is a modern phenomenon, Mr. Curtis said, that when people begin referring to a situation as a "social problem," first and often their only reaction and remedy is "social legislation." When all such "social problems," have been so handled, he added, the inescapable result is state socialism.

The arrangement which merely guarantees financial recompense to all those injured on the highway is not a remedy but is a surface treatment only, he said. The real problem is the highway accident itself, and until the users of the highway are better educated and more accident conscious, there is the danger of ineffective social legislation.

Explains Uniform Forms

G. S. Peick, assistant secretary of Hardware Mutual of Minnesota, explained to the independent adjusters the necessity for using uniform loss forms as recommended by Mutual Loss Managers' Conference.

Many adjusters use forms which are of an odd size and are lacking in essential information, Mr. Peick said, and they are of little or no value to the company. Others use small 3 x 5 cards for different purposes and these are "an abomination in the minds of most loss managers."

It is doubtful whether the average adjuster is aware of all the routing and coding that a loss notice must go through before payment can be made, he added, and in the absence of all pertinent information in the adjuster's report, it is necessary for the loss manager to write the adjuster for additional data. If the adjuster must supply additional information, it takes his time plus his office expense for which he is not reimbursed since his bill has already been rendered.

Mr. Peick explained how the new forms are used and commented that the idea is to get up a form which the customer wants rather than one that the adjuster thinks he should have.

Tells Current Problem

George D. Vail, Jr., vice-president of Corroon & Reynolds, in his address at the adjusters gathering mentioned some current adjusting problems and praised the national association for its high membership standards, which he said have gone a long way in eliminating the problem of the "carpet bagger."

Mr. Vail urged that the adjuster always render a most honest report without coloration, favoritism or prejudice. He noted that sometimes there is a problem when the report must clear to the company through the agent and the adjuster is hesitant to commit to writing his honest opinion on any adverse physical or moral aspects of the risk.

Companies Owe Adjuster Support

The companies, he said, owe the adjuster the support his report deserves, and it is important that the adjuster not be put in a bad position by reason of the company having an independent agreement, or by reason of business pressure, paying a loss that should not be paid. If that happens, the adjuster winds up in the position where the policyholder, agent, broker and field man have cause to think of him merely as some unimportant help the company engaged and then discarded.

Henry W. Nichols, vice-president and general counsel of National Surety, in his address at the banquet urged a greater consciousness of national affairs on the part of adjusters, remarking that the future of insurance cannot be separated from the future of America.

Elect at Borger, Tex.

Borger (Tex.) Assn. of Insurance Agents has elected Paul Jones, Hughes Insurance Service, president; C. C. Rogan, Panhandle agency, vice-president, and Raymond Renfro, Potter-Tweed agency, secretary.

Agency Observes 40th Year

The Coleman & Co. agency, San Antonio, observed its 40th anniversary with an open house. F. M. Coleman, who founded the agency in 1912 after a brief insurance experience in Mississippi and Sweetwater, Tex., greeted callers.

L. B. Joyce, Sr., became a member of the firm 37 years ago, and Frank Williams, who bought the interest of the late J. A. Hall, has been with it 21 years. Elmer J. Edwards, manager of the A. & H. department, has been with the firm 35 years, having been in A. & H. work eight years before joining the agency. He boasts that he has never been in any work other than that of selling A. & H. insurance. Silver trays were presented seven members of the agency who have been in its employ 25 years.

Special guests included H. A. White,

vice-president of Standard Accident; George Powledge, its state manager at Dallas; Leslie C. Cox, secretary of Great American Indemnity, and Sam R. Johnson, field supervisor of that company in Dallas.

Coleman & Co. has 250 agents in the San Antonio territory and 30 office employees.

Shupe, Krier at Manitowoc

Eli Shupe, Milwaukee, state agent of Home and a member of the Wisconsin public relations committee, discussed "Multiple Location and Reporting Forms" at a dinner meeting of Manitowoc Insurance Board. Urban Krier, executive secretary of Wisconsin Assn. of Insurance Agents, talked on state activities and paid tribute to Frank Hoffman, Sr., and Ben Fronk, two Manitowoc local agents who are past presidents of the Wisconsin association.

Miss Alberta Moore was installed president of Oklahoma City Insurance Women's Club, succeeding Miss Alice McDonald, National Surety. Mrs. Jessie Voss, C. L. Frates & Co., first and Mrs. Jennie Daugherty, National Insurance Corp., second vice-presidents; Miss Sadie Hansen, Lacy Ins. Agency, and Miss Erma Lou Kaserman, Oklahoma Audit Bureau, secretaries; Mrs. Lois Cochrane, Ben Kennedy & Associates, treasurer.

DEATHS

(CONTINUED FROM PAGE 15)

a young son, and he leaves a younger sister, Patricia Barton, who is at home with her parents.

FRED G. RAPP, veteran local agent of Columbia, Ill., died there. He had been in insurance work for 60 years and served as mayor of Columbia for 30 years prior to 1934, when he declined reelection.

JOHN A. APGAR, who operated an agency with his brother Harry at Scranton, Pa., 27 years, died after a brief illness.

ALBERT V. NORTMAN, 67, treasurer of the Richter-Schroeder agency, Milwaukee, since 1919, died following a stroke.

A. W. WITMER, 72, formerly with the Paul G. Murray & Son agency, Lancaster, Pa., died there. He retired in 1948 after 26 years with the agency.

HERMAN F. SCHAD, 78, for 30 years a local agent of Tonawanda, N. Y., died there.

S. C. Meeting Plans Set

The Ocean Forest hotel at Myrtle Beach has been selected the place for the 1952 convention of South Carolina Assn. of Insurance Agents. The dates are Oct. 16-17.

They'll pin a medal on you

Your phone rings.

It's Bill Jones—one of your policy holders. Broken window in his car.


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SAFETY  PLATE

Swift Rise of NACCA and Portent of the Big Award

(CONTINUED FROM PAGE 17)

are being held by the association or its chapters, and these reflect the presence of outstanding plaintiff lawyers, prominent jurists and eminent members of the medical profession as well as legislators. The programs are carefully selected and all appear to be most instructive.

He called attention to the law-science program sponsored by Dr. Hubert W. Smith of the law faculty of Tulane University. Dr. Smith has specialized in medico-legal problems and has written widely on such novel questions as

"Legal Liability for Psychic Stimuli." A large number of NACCA members has attended his courses and many prominent NACCA members have appeared on his program. There is evidence his courses are impartial. They offer to plaintiff's attorneys a wonderful opportunity to work out new approaches to old problems of casual relationships and extent of injury. His own research into frontier legal questions may ultimately have some influence on extending the range of recovery in tort actions. Defense attorneys as well as experienced claims personnel should attend at least one of these courses, Mr. Wassell recommended.

Mr. Wassell hopes that the defend-

ant's advocates are as ambitious to acquire special training and knowledge through these short courses and seminars on personal injury litigation as the plaintiff's fraternity appears to be.

ADEQUATE AWARD

Melvin M. Belli, a past president of NACCA, a year ago made a talk on "The Use of Demonstrative Evidence in Achieving a More Adequate Award." He states he has had 3,000 requests for copies, and in it he strenuously advocates use of demonstrative evidence by all plaintiffs' attorneys. Demonstrative evidence means presentation of evi-

dence in some tangible or visual form as contrasted with the abstract: Positive prints from x-ray films, infra-red pictures to illustrate circulatory disturbances; color photographs of injuries, burns and disfigurement; sequence pictures in color of injuries; blackboards, especially with colored chalk; aerial pictures instead of diagrams; artificial limbs and other prosthetic devices, and charts and models of human anatomy.

Mr. Belli decries histrionics in the court room and claims trial attorneys who rely upon pulling rabbits from a hat are passé. Mr. Wassell relates, however, that in an amputation case, an artificial limb was brought to the court room securely wrapped. It was moved from place to place during the trial, creating curiosity in the jury as to the content. During the summation the wrappers were removed, which process took approximately five minutes, yet without histrionics. The limb was passed among the jury which was exhorted to feel the fine texture of flesh and the warm blood coursing through the veins, to move the noiseless joints and compare them with the articulating parts of their own knees. The technician was supplied by having the appliance wrapped in yellow butcher's paper. This was the demonstrative evidence given credit for having raised a jury's verdict of \$60,000 upon the initial trial, reversed for excessiveness, to \$100,000 on the second trial.

Attorney Has Photo Unit

The extent to which demonstrative evidence is used is reflected by the fact that at least one plaintiff's firm now has its own photographer, darkroom, and facilities for the taking and developing of pictures. Photographing of all demonstrative evidence is thought necessary in order to make the more adequate award stand up on appeal. This includes pictures of blackboard illustrations, to be sure that the evidence will be included in the record.

NACCA must not be underestimated by the insurance business, railroads, maritime industry and other businesses which are now fair game of the damage suit attorneys, Mr. Wassell declared. NACCA is an efficient, forceful and highly intelligent group of men who have on their side the benefit and advantage of public opinion and bias.

The group cannot be ignored, he said. Ultimately all groups involved will have to accept the responsibility of championing the defendant's cause as successfully as NACCA is crusading for the plaintiff. This is not easy, he pointed out, since their announced objectives have popular appeal to the public generally. For example, they advocate compensation rates at a subsistence level so the injured workman will not be cast upon the scrap heap of charity. The insurance business is pictured by NACCA, for public consumption, as having a most powerful lobby on both a state and national scale, that it is fortified with unlimited funds for use in depriving the injured workmen, widows and orphans of the niggardly pittance presently allotted them. Mr. Wassell fears that defendant's advocates are not yet as well organized and do not function as effectively as NACCA.

South Bend "Day" Set

South Bend-Miskawaka Insurance Day, which has become one of the big events of the year for insurance men in northern Indiana, has been set for Sept. 11. One speaker already has been announced—Walter R. Sullivan, Chicago manager of Hartford Steam Boiler, who will discuss "Steam Boiler and Machinery Insurance."

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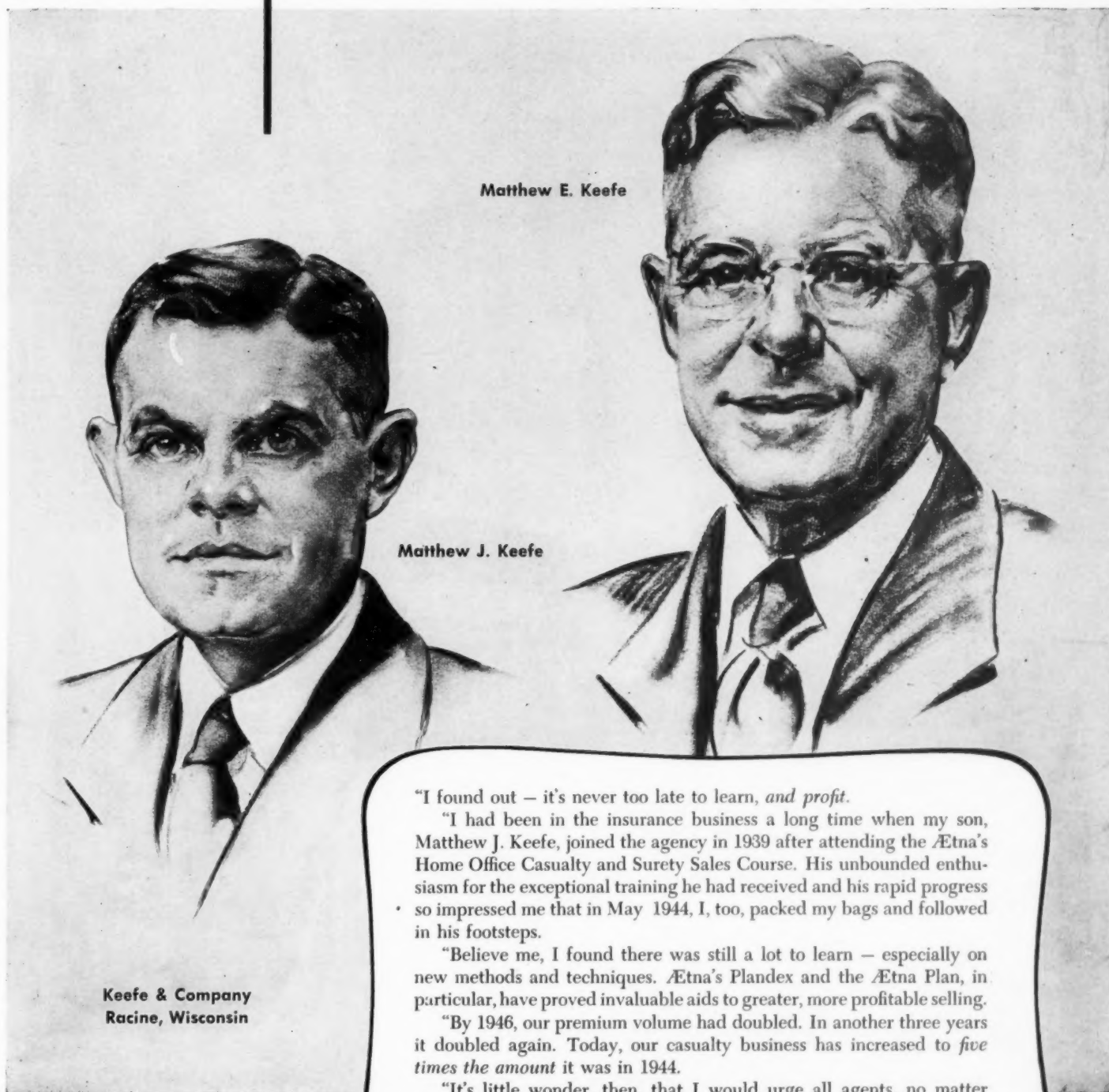
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Aetna Profiles

Like father like son. It's true of Matthew E. Keefe and his son, Matthew J. Keefe, in more ways than one. For beyond their family resemblance, both are outstanding insurance agents — and both are graduates of the Aetna's Home Office Casualty and Surety Sales Course. Together they head up one of the most successful insurance agencies in Racine, Wisconsin — Keefe & Company — Aetna agents since 1913.



Matthew E. Keefe

Matthew J. Keefe

Keefe & Company
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"I found out — it's never too late to learn, and profit.

"I had been in the insurance business a long time when my son, Matthew J. Keefe, joined the agency in 1939 after attending the Aetna's Home Office Casualty and Surety Sales Course. His unbounded enthusiasm for the exceptional training he had received and his rapid progress so impressed me that in May 1944, I, too, packed my bags and followed in his footsteps.

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An early iron forge

THE IRONMASTERS OF

Ringwood



Laying the West Point chain across the Hudson River

FROM the mines of Ringwood in northern New Jersey came iron for every American war from the Revolution through the first World War, and some of the country's ablest ironmasters made Ringwood Manor their home. The detailed history of the mines begins in 1764 with the colorful Peter Hasenclever who reputedly employed servants to carry his wife's train and a band to serenade him while he dined. Under his management Ringwood became an important part of the first large-scale development of the iron industry in this country.

Robert Erskine, a later ironmaster, organized a company of militia to protect the iron works when the Revolution started and supplied the continental army with iron in various forms. His most outstanding contribution to the cause was his work as official mapmaker to the army for which post he was recommended by Washington. Associated with Ringwood during Erskine's incumbency were several devices with which attempts were made to prevent the British from coming up the Hudson. Iron

for the first chain used to obstruct that waterway came from Ringwood, and it is believed that some of the iron for the West Point chain, the only successful obstruction, was a product of the Ringwood mines.

Ringwood's most celebrated proprietor was Peter Cooper who bought the property in 1853, the year The Home was founded. A man of many talents, he built the famous locomotive Tom Thumb, promoted the first transatlantic cable with Cyrus W. Field, and was a Greenback candidate for President. His partner and son-in-law, Abram S. Hewitt, last of Ringwood's ironmasters, served several terms in Congress and was mayor of New York.

The manor house was built by ironmaster Martin Ryerson after an earlier dwelling was destroyed, probably by fire, in 1807. Now owned by the State of New Jersey, it is open to the public as a museum and contains many items of interest formerly owned by the celebrated Cooper and Hewitt families.

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